



# **Bondex, a successful brand in the Portuguese wood care market**

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# Abstract

**Dissertation Title:** Bondex, a successful brand in the Portuguese wood care market

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This dissertation was written with the objective of presenting marketing students a successful brand in the wood care industry in Portugal and to identify gaps and opportunities of growth in the wood care market. Bondex is a wood care products brand that makes part of Dyrup, one of the major players of the paint industry. Bondex had its origin in Denmark by 1969 and it is nowadays the categorizer of this market in Portugal. Consumers find it the best product in the market and feel familiar with it. However, other wood care products brands are increasing and gaining share of the market, as it is the case of Woodtec in the professional market and private labels in the do it yourself (DIY) market. This thesis tells the story of what Bondex has been till now and provides the tools necessary to the reader to solve the case: what will be the Bondex's future?

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# 1. Introduction

From June to October I have made my internship in the marketing department of Tintas Dyrup S.A.. Under the supervision of Dra. Bárbara Villar in the wood care&speacalties business unit I had the opportunity to get insight of the paint industry in Portugal, especially of the wood care industry. The most part of my time was spent managing the brand Bondex. Therefore, I had the chance to assist from close to the phenomenon that I already suspected: Bondex was a categorizer in the market. Together with the fact that paint brands are increasing their mass communication, this reason led me to want to write a case study about this successful brand.

In this dissertation one can find a marketing theoretical introduction, a case study that introduces the reader to the paint world in Portugal, to the company Dyrup and to the brand Bondex. In order to be able to solve the case's management problem a market research has been conducted. With all the information provided the reader is able to give free rein to the imagination and try to plan Bondex's future.

## Problem Statement

The aim of my study was to understand the positioning of Bondex in Portugal and identify gaps and opportunities of growth in the wood care market.

## Research Questions

1. Why has Bondex been the categorizer in the wood care market until nowadays?
2. What is the current positioning of Bondex in the wood care market?
3. Is there an opportunity to induce a boost in the category?

## 2. Literature Review

### 2.1. Brand – what is it?

The concept of brand is difficult to define due to its complexity and the universe that it has got attached to it. The American Marketing Association defines brand as follows:

“A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. (...) A brand may identify one item, a family of items, or all items of that seller.”

American Marketing Association<sup>1</sup>

Brands do not identify only the company that owns them, they are also means that help suppliers, supplementary organizations, the public and the customers constructing their own identities. Brands are initially created by companies; however, as time goes by, brands are in a constant change which is not totally controlled by who had once created it. This change comes from all of those who have contact with it (customers, organizations) and that can somehow transform the meaning of the brand (Webster 2000; Chaudhuri and Holbrook 2001; Berthon, Holbrook and Hulbert 2003; Muniz and Schau 2005; Berthon, Holbrook, Hulbert and Pitt 2007).

The same authors even defend that “Brands are co-creations of the groups they are targeted to as much as of the producers themselves” and that a brand can turn into something different of what it was planned to be. With this, Berthon, Holbrook, Hulbert and Pitt (2007) defend that brands have multiple dimensions.

#### Value of a brand – brand equity

A brand has value by itself beyond the value of the product brandless or service to which it is associated (Baldauf, Cravens and Binder 2003). It is named brand equity and according to Thomas and Kohli (2009) it is “the differential effect that consumer knowledge about a brand has on the customer’s response to marketing activity”. Aaker (1991) shares this opinion defending that brand equity adds or subtracts value to the product or service to which the brand is associated. This author divides it in different components: brand loyalty, brand awareness, perceived quality, brand associations and other proprietary brand assets. Below we can find a brief explanation of what which of the components stands for.

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<sup>1</sup> [http://www.marketingpower.com/\\_layouts/Dictionary.aspx?dLetter=B](http://www.marketingpower.com/_layouts/Dictionary.aspx?dLetter=B), October 13, 2011

**Brand loyalty**, as we can perceive from the name, is the attitude of loyalty consumers have towards one brand. It is a valuable asset for marketers if well managed. Once a consumer is loyal to a brand the manager will have more time to respond to competitive threats, will have to employ less efforts and costs in marketing activities, he will have advantages in trade issues such as preferred shelf space and will also be easier to attract new customers that will see others doing repeat purchases of one brand. Since it can act as a competitive advantage to the company that owns the brand, marketers should put some effort into the creation and maintenance of brand loyalty. Give the customers what is promised to him, work on the customer relationship, provide them extras and create switching costs are complementary ways of doing it (Aaker 1991; Chaudhuri and Holbrook 2001).

**Brand awareness** measures the capability of one consumer to recall that one brand belongs to one product category. Regarding this subject Aaker (1991) defends that potential consumers can have four different attitudes. One may never heard of a brand, he can recognize it when presented with some brand component, he can recall it when asked to name some brands or the brand may be on his top of mind set if it was the first brand name to come up in a recall exercise. Brand awareness has a high impact on the consumer choice, especially when a consumer is buying one product for the first time or has decided to switch brand. If a potential buyer remembers one brand it means he feels familiar with that brand or recognizes it as a substantial brand and thus it considers that brand in the moment of the decision (Aaker 1991; Cradit, Tashchian and Hofacker 1994; Keller 2003; Ye and Van Raaij 2004).

**Perceived quality** is the perception of quality consumers have of a product. It is difficult to measure because different consumers have different preferences and needs that end up by construct different judgments of the same product. According to Aaker (1991) perceived quality provides the consumer a reason-to-buy a brand and it is useful to position the brand in its category. Furthermore, if the perceived quality is high, companies can charge premium prices. This concept is also useful to channel members that want to position themselves in the market and use other brands to do so; and to companies that want to do brand extensions and can take advantage of the good quality perception one brand has attached to it. As the most concepts discussed in marketing the value that perceived quality can bring to managers is higher when studies incorporate competitors (Aaker 1991).

**Brand associations** is everything (attributes, features, benefits) one individual can link to a brand and that defines the brand-image for the consumer (Aaker 1991; Dillon, Madden, Kirmani and Mukherjee



2001; Sonnier and Ainslie 2011). Understanding What's in a Brand Rating: A Model for Assessing Brand and

It is a very important tool to define the positioning of one brand having its competitors as frame of reference. Aaker (1991) states the position of a well-positioned brand is supported by strong associations. So it is so important to see which links a consumer does to a brand as well as the strength of those links.

For a company it is important to measure the monetary value of a brand in order to justify investments made and the price to be paid when selling the brand. This value also enables to strong brand owners to charge premium prices (Berthon, Holbrook, Hulbert and Pitt 2007). According to Thomas and Kohli (2009) brand equity is the most valuable asset one company has.

## **2.2. Managing Brands**

### **Positioning**

What the brand means to the organization and its members may differ from what it means to its target customers or to other stakeholders, including the public at large. As such, an individual's brand meaning and experience can never be entirely determined by the conscious intention or volition of others. (Berthon, Holbrook, Hulbert and Pitt 2007)

Kotler, Armstrong, Wong and Saunders (2008) define positioning as "arranging for a product to occupy a clear, distinctive and desirable place relative to competing products in the minds of target consumers". Definition supported by Trout (2005), "products are created in the factory, but brands are created in the mind".

So that the product can occupy a clear position on consumers' mind, the company has got to get insight about the consumers in the product category. Managers have got to know which the most important products' attributes are for consumers when defining a brand. In the end, what influences their choice? (Berthon, Holbrook, Hulbert and Pitt 2007; Ostasevičiūtė and Šliburytė 2008). Once these attributes are known the company is able to compare their product with the competition's and consequently see which of them is better to the consumer. The better way to get information to be able to build a positioning strategy is through market research (Holley, Greenley, Fahy and Cadogan 2001; Ostasevičiūtė and Šliburytė 2008).

### **Brand extensions**

Brand extension is defined by Aaker and Keller (1990) as follows "use of an established brand name to enter a new product category".

Brand extensions can be very advantageous for companies that already have well known brands in the market. Brand associations can be transferred and consumers quickly identify the new product and thus companies have to spend less on advertising. However, companies take some risk when considering it. (Keller 2003; Kotler, Armstrong, Wong and Saunders 2008; Alex N. 2011; Boisvert 2011; Heath, DelVecchio and McCarthy 2011).

According to Duckler (2003) few companies guarantee that new products being launched under a brand are consistent with that brand identity. A good and innovative product might have a low rate of success because they are launched under the wrong brand identity (Duckler 2003; Alex N. 2011.). He has suggested an approach of four steps that companies should follow before doing brand extensions: determine key associations with the brand and respective category, develop brand extendibility proxies, conduct market research and create guidelines for the extensions of that brand (to where can be effectively extended).

### **Integrated Marketing Communications**

Integrated Marketing Communications (IMC) defines the integration of all marketing tools one company uses in order to have a more effective and less costly communication (Clow and Baack 2010). Within this approach Clow and Baack (2010) have identified four tools categories: advertising tools, media tools, promotional tools and integration tools.

IMC has a positive impact on the marketing communication and brand performance (Reid, Luxton and Mavondo 2005). On the other hand, market and brand orientation are positively related to IMC, which means that a higher market orientation and a higher brand orientation lead to a higher level of integration of the communication tools and thus companies should work in that way.

### **WOM – Word of mouth**

The word of mouth (WOM) effect in marketing occurs when people talk about a product or a brand. People like to share their positive and negative experiences and to recommend their friends and these recommendations can grow quickly (Dye 2000). It is considered by many a very strong weapon in marketing, according to Smiciklas (2011) it “has the power to quickly build up or tear down the reputations of products, services and organizations”.

### **3. Bondex, a successful brand in the Portuguese wood care market**

Bárbara Villar, 28 years old, responsible for the wood care & specialties business unit in Dyrup, was sat in the marketing department open space looking to the Bondex Classic can on her desk. It was a rainy and sad afternoon outside, one between many in November 2011. She started to remember the phone call to join the company she received ten months before. She was asked if she knew Bondex. Villar smiled to herself recalling that memory. Off course she knew Bondex, “who didn’t?” she thought.

She started then thinking about why that brand was special. For her it was rather a product than a brand in fact. She used it at her home because her mother also used it, “Bárbara don’t you wanna help me? I’m gonna pass some Bondex on the lobby’s furniture. After we finish we can play the game you wanted to.” Villar leaned forward and grabbed the can. “Funny....” She did not remember how was the can of Bondex, yet the name sounded her so familiar. Definitely it was a traditional brand; she had known it for all her life. She was sure that the same happened to many other Portuguese, as well as the heritage of the product phenomenon.

But what did Bondex have then? She looked outside and stared at the rain. Quality. That was what differentiated the product from the competition: the perceived quality of Bondex was the highest in the market.

Her eyes came back to the can in her hands. It was not the most modern of looks. The competition products she had seen that morning on the web campaign looked better. She realized then that it was the second wood care products brand popping up in front of her eyes that week. Yes, the other brands were slowly gaining space in the market. She lifted her eyebrows...what Bondex had was enough to face it? It has been the categorizer until then...

#### **3.1. *Paint Industry***

The boost in the category came with the industrial revolution and with the huge success of the automobile industry that forced the paint industry to keep up with the developments. Being part of the chemical industry, paint producers have been exposed to high regulations that have changed during time and have become more rigid. Sustainability is a “cannot forget” concept responsible in part for the high investments made in R&D, and, consequently, it is surely molding the paint industry.

In Portugal, the paint industry represents 0.2% of the total of companies acting in the transformation industry, it accounts for 0.8% of the Gross Value of Production and 0.9% of the Gross Value Added. It is an industry of small and medium companies where the top companies stand for 70% of the market.

### **3.1.1. Segments and channels**

There are two distinct segments in the paint industry, the professional (PRO) and the “do it yourself” (DIY).

The PRO segment is constituted by the professionals that are involved in the process of choosing the paint. It means that not only the painters make part of this segment, but also architects, engineers, designers and painters companies. Therefore, this segment is the one that has a higher level of consumption and a higher rate of repeat purchases. As a consequence these consumers are more aware of which brands act in the industry and are also the ones having access to bigger discounts.

In the opposite side we find the DIY segment. This term appeared in the 1970s in the North America to name the individuals from college or recent-college-graduate that renewed their homes. Nowadays the term is used to describe the group of people that does not pay experts or professionals to do a certain task. In the paint industry the DIY segment refers to those individuals that sporadically buy paint to renew something in their houses, whether they actually do the work themselves or whether they give the paint to a professional to accomplish the painting.

In this market there can be identified 3 sale channels: PRO, DIY and Stores. The professional stores (multi-brand stores) constitute the PRO channel while hypermarkets and DIY superstores<sup>i</sup> constitute the DIY channel. The Stores channel refers to the brand owned stores where both segments go to.

### **3.1.2. Getting into the paint world**

In the paint market for construction one can find four major branches: exterior paint, interior paint, wood care products and enamels. Besides these there are waterproofing products and others.

Wood care products are used in different stages of the process of taking care of the wood. Initially one has got to protect its wood from bugs and fungi using wood treatment products and then work on the wood finishing, by protecting or embellishing it. For this effect varnish, paint, enamels or wood stain<sup>ii</sup> can be used between others. The first one forms a surface film and most of the times it is shinning. Wood stain is a transparent wood protector that after applied let the wood veins be seen and felt.

### 3.1.3. The Market

The Portuguese market of paint has increased by 20% in the past 5 years. There are sold over 600 million Euros of paint per year produced by the 150 paint producers in Portugal. 60,7% of the sales are sold through the PRO channel while 30,2% are sold through the stores channel and 9% through DIY.

Regarding the usage of the paint the whole market is divided in two: the new construction and the renewal market. The first one accounts only for 9% of the total. Given the bad shape that the Portuguese economy is in, specially the real estate market, it is possible that this percentage presents an even lower value in the future. On the other hand it is expected the renewal market to grow. Currently it accounts for 91% of the all market and some say it will be the “salvation” of the paint industry in the near future.

As it has already been said the type of paint is divided in four main categories: exterior paint, interior paint, wood care and enamels. In 2010 they have represented 61%, 26%, 8% and 5% of the market respectively.

Regarding the players competing against each other it can be said that this is a concentrated market. Even though there is a considerable number of manufactures, 56% of the volume of sales is accomplished by the top five companies. These are CIN, Robbialac, Barbot, Dyrup and Sotinco.

CIN is clearly the market leader having accomplished a volume of sales of 219 million Euros in 2010. This company has different brands for different type of products such as CIN for its paints, Aquastop for its waterproofing products and Woodtec for its wood care products. Woodtec was launched in 2007 and since then the company put efforts into its communication and campaigns. (See Appendix I, Exhibit 1) The company exists in Portugal since 1917 (not always with the same name).

Robbialac (Materis group<sup>iii</sup>) is an established company in the market, existing for over than 80 years in Portugal. In 2010 it has grown by 6% in every business units at the same time that it has increased its market share in the decorative paint market. Its total sales in 2010 were 52 million Euros.

Barbot sold 52 million Euros of paint in 2010. It has recently presented to Portuguese consumers the first on-line shop in the paint industry.

Dyrup Iberia sold in Portugal over 33 million Euros in 2010. Its focus is paint, however it also sells wood care products under the brand Bondex and specialties and others (such as waterproofing products and accessories).

Sotinco, a CIN group's company, in 2010 has increased its sales by 7,5%, having sold 19 million Euros of paint.

The usage of toxic raw materials has been being very restricted <sup>iv</sup> and the law is forcing paint producers to use less aggressive raw materials in their processes. For this reason more than 80% of the commercialized products are now water based (instead of solvent based). Some managers working in this area state that water based products are the future and that there is a high probability of that base being the only one allowed by law. Other issue concerning managers in this field is the constant increase in COGS (Cost of Goods Sold) since the beginning of 2010.

R&D is a very important field in this industry not only due to the need companies have of keeping up with laws that forbid the usage of common raw materials but also because innovation is very appreciated by the target: PRO. A recent trend that appeared in the market is the effort put into the development of products with nanotechnology. António Morgado Fernandes, the president of APT (Associação Portuguesa de Tintas – Portuguese Association of Paint), stated in *Diário Económico* that in 5 years from now 20% of the commercialized paint will be developed with nanotechnology. Another tendency it can be observed is the usage of paint products or products developed by paint producers to get energy efficiencies. If a building has a good coating energy costs can be significantly reduced. For these reasons between others, R&D is a very important department in paint producers companies and investments made in this area are very significant. One example of it is Barbot that has invested in 2010 3% of its total sales in R&D. Moreover, many paint producers work together with universities in order to create synergies and get better and more innovative results.

In the paint industry companies are no exception to which concerns to the usage of exports to balance their P&L at this moment of economic crisis in Portugal. Revenues coming from foreign countries in 2010 accounted for 25% of the total sales in that same year.

Colors are the way companies make them self visible. Since 2008 CIN is presenting the project CIN Re-Make together with the Lisbon City Hall, a project of urban rehabilitation that has painted walls throughout the city of Lisbon. (See Appendix I, Exhibit 2). At the same time and also together with the Lisbon City Hall, the company that has the slogan "Happy colors, happy life", Dyrup, has developed the project Happy Liberdade based on Feng Shui<sup>v</sup>; a project that has renewed and colored one of the most mythic avenues of the city. (See Appendix I, Exhibit 3).

#### **3.1.4. The end-consumer – Portuguese homes**

53% of the Portuguese people paint something in their houses every 2 years. The major reasons that lead the population to do it so are: redecoration (32%), maintenance (24%), humidity problems (18%)

and cleaning reasons (17%). Regarding the portion of their houses they paint, 17% paint only one division while 70% paints all at once.

One of the major preoccupations Portuguese have when planning a paint work at their homes is the pre and post-painting, because painting is not a clean and fast work. The quality of the final work is also a major preoccupation as well as the costs they will occur in.

In 90% of the Portuguese homes there are two or more people involved in the process of choosing the quality and the brand of the paint. However, the major part of these people does not remember the brand of the product they used in the last time they have painted something or even where they have bought it. Regardless this disconnection with the brand of the paint, the major reasons that lead them to pick a brand is the quality<sup>vi</sup>, the price of the paint and by professionals' recommendation. Thus, they focus in a top quality set of brands and take the price as a differential factor between them. The painter is also an important factor at this point that can highly influence the end-consumer; not only due to their expertise but also due to the discounts they have access to at multi-brand stores or at the brand owned stores. In general painters prefer to buy in multi-brand stores and then in brand owned stores, they only use hypermarkets and DIY Stores at a last instance. Private labels also exist in this market; however they are only bought by DIY.

Even though color is one of the major "reasons to buy" that the major brands try to sell, 2/3 of the Portuguese population chooses just one color to paint its homes and in 80% of the cases this color is the white.

Half of the population hires professional painters to accomplish the paint work, mainly because they want a high quality final work and because it is easier. The main barrier that stops the other half of doing so is the cost added to the expenses they will already incur in.

The paint industry suffers from the seasonality phenomenon. Due to weather and humidity conditions the pick season is obviously the spring and the summer, meaning that from March to September paint sales revenues are significantly higher.

### **3.1.5. Wood Care market**

#### DIY market:

In the DIY market 912.460€ of varnish, 135.766€ of wood treatments and 392.322€ of wood paint were sold between January and August of 2011.

The main brands in the DIY market are: Bondex, Barbot, Les Decoratives, Tintas 2000, Pluricor, Xylazel, Xylophene and private labels such as Luxens and Axton. The major part of the DIY acquires

these products in DIY stores (GSB) rather than in hypermarkets (GSA). GSA sales account only for 10% of the total sales (GSA and GSB) and on top of it this number is decreasing.

In the varnish market the major seller is Bondex (50% market share) followed by private labels (30% market share). While the Bondex market share is decreasing, the market share of private labels is increasing. However, private labels are only strong in GSB and not much relevant in GSA. Moreover, private labels sales have a higher impact when the product is cheaper than 5€ or more expensive than 15€, in the interval between Bondex is much more relevant. Regarding the other brands, Xylazel is stronger than Tintas 2000 and Barbot, however none of its market share passes the 5%.

In the wood treatment category the major players are Xylophene, Barbot and again private labels. Xylophene, a Dyrup's brand has got 60% market share approximately and it is the leader in GSA as well as in GSB. Moreover, Xylophene's market share is the only one increasing in the market. Private Labels have 13% market share and its sales have been decreasing and as a consequence also its market share. The same happens with Barbot that has currently a market share of 11%. Within the remaining brands the only threat to Barbot is Xylazel, that has a 7% market share and a slow decrease in it. With a price lower than 5€ the product that is sold is Tintas 2000 and Pluricor, that have a market share of only 4% and 0.2% respectively. 50% of the products sold are priced between 10 and 15€, and this price interval is dominated by Xylophene.

Bondex is an even more evident leader in the wood paint category (in which wood stains are included), presenting a market share of 70% approximately. Nevertheless this is the only market share in decrease while all the other brands' market shares are increasing. Les Decoratives and private labels, currently with a market share of 14% and 11% respectively, are winning territory in GSB while Pluricor is selling more in GSA (even though it has a market share of only 0.2%). Again Pluricor dominates the low budget products, sold under 5€. Private Labels are only present in sales of products priced between 5€ and 10€ or above 15€. Les Decoratives are increasing their share in the 10€-15€ interval, where the sales of Bondex are more significant.

In the wood care market in DIY solvent is still the dominant product base. Water based products account for only 5%, 15% and 11% in the varnish, wood treatment and wood paint categories respectively.



## **3.2. Dyrup – The Company**

### **3.2.1. Overview**

Tintas Dyrup S.A. is the Iberian subsidiary of Dyrup (See Appendix I, Exhibit 4 to get to know the group Dyrup). Dyrup came to Portugal in 1947 due to Vila Franca de Xira bridge. It is independent till certain point, but it has got to follow the main pillars of the group: such as the high level of attention given to the final consumer and the pursuit for more sustainable and environmentally friendly products. Since then the company has grown within a familiar ambience and developing a good place to work in. The company is known for its happy people, label that appeared with the development of the slogan “Happy Colors, Happy Life” in the beginning of 2011. This theme is always used in Dyrup’s initiatives since then.

Currently Dyrup is one of the biggest players in the Portuguese market. Its market share in Portugal has grown from 15.1% in 2008 to 16.2% in 2010. In the economic crisis environment Dyrup Portugal results are against the odds. In 2010 the company has doubled its EBIT.<sup>vii</sup> The reasons that led to this growth were named by the marketing director, Nuno Ferreira Pires: the culture of happiness lived within the company that managers believe to increase employees’ efficiency<sup>viii</sup>, the focus on products and channels that yield more value to the company and the innovation<sup>ix</sup>.

### **3.2.2. Markets and Segments weight in Portugal**

The most profitable market in Portugal is the paint market, accounting for 73% of the total revenues. Wood Care represents 14% of the total sales, the remaining results from specialties&others. Their growth from 2010 to 2011 was 22%, 15% and 29%, respectively.

Regarding sales channels, PRO is the one through which Dyrup sells more, approximately 63%. While DIY accounts for 32% approximately, exports for 2% the same percentage of shops. This last one is a channel increasing every year and in August 2011 it has reached its pick: its sales marked the highest level ever since its existence. (See Appendix I, Exhibit 7)

### **3.2.3. Dyrup’s Brands in Portugal**

Dyrup is the name of the company but also the brand under which the major part of the paint is commercialized. Bondex was the name of the brand of wood care products but now there are also rust protection products and decorative paints under this brand. Xylophene is the brand of the product that Dyrup sells more for wood treatment. Dyrup also commercializes waterproofing products under the brand DIP and accessories under the brand Harris. (To see logos and some products consult Appendix I, Exhibit 8)

### **3.2.4. Portugal talking about Dyrup**

On the 1<sup>st</sup> of April 2010 Nuno Ferreira Pires joined Tintas Dyrup S.A. to take the position of marketing director. One of the objectives he had in mind was to increase the awareness of the company in Portugal. Since then the company has been involved in diverse Portuguese initiatives, all of them aligned with Dyrup's positioning, such as the Green Festival in 2010 and Moda Lisboa. Moreover, Dyrup created partnerships that have highlighted the brand at the same time they made their final consumers happier, such as the Carris campaign and the Happy Liberdade project. (See Appendix I, Exhibit 9)

## **3.3. Bondex**

### **3.3.1. Portfolio**

#### **Bondex wood care products portfolio and sales**

Bondex products for wood care are divided in five categories: treatment, wood stains, varnishes, garden (oils) and others. The brand has a wide portfolio that enables one going through all the process of taking care of the wood. As a result of the company's consciousness about the environment already half of the products offered by the brand are water based, mainly those sold through the DIY channel. (See Appendix I, Exhibit 10)

#### **a) Treatments**

In the sub-category of treatment Dyrup sells four products under the brand Bondex, two of them are more directed to PRO and the other two, both launched in 2007, to DIY. All of them have a strong competitor, also sold by Dyrup, which is Xylophene. In 2010 the four Bondex treatments' sales together have represented 13% of Xylophene sales.

Bondex treatments sales in 2010 account for 1% of the all sales of wood care products commercialized under the brand Bondex.

#### **b) Wood Stains<sup>x</sup>**

Bondex got initially known in the wood care market due to its wood stains. This sub-category is the one that yields more revenues within the all Bondex range. In 2010 it has accounted for 68% of the total sales and in 2005 they accounted for 80% of the total. In fact, since 2005<sup>xi</sup> that two wood stains make more than a half of this total (Bondex Classic, satin and matte finishing). In 2005 they both represented 75% of the all sales, each accounting for 55% and 20% respectively. In 2010 they both have accounted for 52% of the total sales, more specifically 40% and 12% respectively.

Bondex Velaturas Opacas, the only wood stain not transparent with opaque colors, accounted for 1% of the total sales in 2010.

In 2007 it has introduced in the DIY market three products: Bondex Protetor (satin and matte finishing) and Bondex Protetor Longa Duração (long last wood stain, satin finishing). All of them keeping up with the market development and future requirements by being water based products. In 2010 innovative products developed with nanotechnology were launched: Bondex ADN for PRO and Bondex Aquaprotect for DIY. These products were developed jointly with the company DuPont<sup>xii</sup>, which enabled the use of Teflon<sup>xiii</sup> in the constitution of the product. Bondex ADN was launched just after ADN Fachadas, an exterior paint from Dyrup, whose launch required a big investment of the company in communication. As a result Bondex ADN launch was not as much communicated as desired by the managers and the point of sales materials pretty much summed up the investment made.

These wood protectors can be colorless or not. Bondex wood stains exist in some different wood colors such as pine, oak or mahogany that come directly from the factory. But Bondex Classic can exist in million colors due to the system Dyrumatic<sup>xiv</sup>.

#### c) Varnishes

The sub-category of varnishes is the second with the highest weight in the total sales. In 2010 it has accounted for 25% of the whole.

Bondex offers different varnishes for diverse uses, such as floor varnish or maritime varnish (aimed to highly resist to humidity). However, according to Armando Miranda, a seller from the store José da Costa e Ventura LDA, there are some people who believe that it is a waste of money to buy Bondex to use on the floor. As a result painters opt by other brands they find more affordable. Bondex Parquet is the one that is used on the floor and its sales accounted, in 2010, for 6% of the varnishes' sales. On the other hand, Bondex Universal and Bondex Intempérie, this last one being specific to wood exposed to extreme weather conditions, accounted for 51% and 35%, respectively. Before 2000 the company had eight type of varnishes, three of them have been discontinued (Verniz Deco, Verniz Painéis and Verniz Móveis (See Appendix I, Exhibit 11) and any other varnish has been launched under the brand Bondex.

#### d) Garden (oils)

The garden Bondex line is constituted by two oils developed to feed and hydrate exotic wood such as teka and meranti. Bondex Óleo de Teca, launched in 2006, is aimed to garden furniture while Bondex Deck, launched in 2009, is to be used on decks. As a result of the purpose of these products their

sales are the ones that suffer the most with the seasonality factor of this industry (pick of sales in spring and summer). In 2010 both sales accounted for 3% of the total Bondex.

e) Others

Bondex has also products that help individuals doing a better job when caring the wood. They are the Bondex Tapa Poros (pores sealer), Bondex Decapante para Madeira (wood stripper) and Bondex Decapante Universal (universal stripper also used in wood). In 2010 the three products have accounted for 2% of the all Bondex sales. (To see the weight of all sub-categories on Bondex sales see Appendix I, Exhibit 12).

**Discontinued product lines**

Bondex used to have a product line of restoration called Bondex Restauração. This line had more specific products for wood furniture care and restoration such as the wax for antiques, wax remover, wood pulp or a corrective pencil for small retouches in wood (See Appendix I, Exhibit 13). These products packages were smaller than the usual, since they were targeted to a niche of the market and different across the range. When launched, the company made a big investment, in catalogs and in-store demonstrations of how to use the product. However, in 2005 the whole product line represented 1% of Bondex sales. By 2008 the range of products began being forgotten and the company started letting it go. In 2011 some wax can still be found in some stores, but no efforts are put into this product's sales. Gustavo Borges, a Dyrup's sales force employee working for the company for the last 18 years, says: "It made all the sense to discontinue this product line, the product was not good enough to compete with the existing brands..."

According to Ricardo Dias, a Dyrup's marketing manager from 2001 till 2010, the withdrawal of this product line happened due to three main reasons: complexity of the range, price and production origin. Firstly, the product line was considered complex in a sense that products were difficult to expose in the point of sale, packages differed a lot between them and to have proper exhibitors turned out very expensive. Secondly the pricing strategy aimed to transmit the quality of Bondex products, thus the product line of restoration was launched with a high price, in fact, was priced above the market leader, Lakeone, which was sold in the market long ago. It initially worked out, but ended up by being perceived as too much expensive. At last, the majority of the products were imported from France which led to lower margins and, sometimes, failures in delivery deadlines.

### 3.3.2. Brand extensions

#### **Bondex Corrostop**

Dyrup commercializes a line of antirust enamels to be used in metal as a treatment or with a decorative end. This line is called Corrostop and was branded under the name Dyrup until 2009, year of its re-launch. With the re-launch products started being sold under the brand Bondex, the company justifies this change with the fact that these products will enjoy the quality guarantee Bondex provides to its clients. The image of the labels was also modernized with the change (See Appendix I, Exhibit 14).

Some sellers of the market still have in stock few old Corrostop being sold with the old image and some of them still do not understand the company strategy when changing the brand of Corrostop to Bondex due to the high association of this last name with wood care products.

#### **By Bondex**

Dyrup has a partnership with the Groupe Adeo<sup>xv</sup>, the owner of the DIY stores AKÍ and Leroy Merlin. Since they are two of the major DIY stores in Portugal and Spain it is of all interest for Dyrup to invest in this relationship and to please the group Adeo. Consequently, both companies started developing co-creations of decorative paints<sup>xvi</sup>. The process starts with Adeo letting Dyrup know what their clients' needs are and what they want to satisfy them. Then Dyrup works on it and launches taylor made products, that many times are exclusive for the group. Inside the company all these decorative paints are named concepts. The first time a co-creation was developed Dyrup had a dilemma: under which brand would they launch the collection? These products were decorative paints and under normal circumstances would be branded under the name Dyrup. However Dyrup name was not very known in the Spanish market yet, while on the other hand Bondex was in the field for years and consumers were aware of the brand. By that time in France Dyrup had already launched decorative paints and other type of paints under the brand name Bondex. So Dyrup Iberia decided that these decorative paint concepts would be launched under the brand Bondex; each collection has its name and is signed "by Bondex".

By Bondex was launched in DIY, so concepts are sold in DIY stores and in Dyrup's stores. The company has tried to introduce it also in the PRO channel with the collection Momentos; however it turned out to be a bad strategy. The brand Bondex was too associated with wood and painters did not accepted as expected. Dyrup had to collect all the concepts from the PRO channel.

These concepts aim to be trendy and inspire the final consumer. Its image and packaging has nothing to do with Bondex common products as well as the point of sale. (See Appendix I, Exhibit 15 and 16)

### **3.3.3. Brand Elements**

#### **Name**

The Bondex name appeared in Denmark by 1969 when Dyrup started to focus its business in the wood care market. In Portugal it has become a categorizer, meaning that to refer to a product to care their wood people say Bondex. Villar, the current brand manager, even admitted “Off course I knew Bondex before coming to Dyrup, my mother used it all her life and then I started to use it also. I did not even know there were others in the market. Bondex was the product, not the brand.”

#### **Logo**

Dyrup Iberia has got no power to change any logo of the group’s brands. All logos from Dyrup’s brands are defined in the group’s headquarters in Denmark and only they have the power to do any change. In 2002 the institutional logo of Dyrup has changed (See Appendix I, Exhibit 17) and in 2005 was the turn of Bondex logo to get modernized (See Appendix I, Exhibit 18).

#### **Packaging and design**

In the last ten years the packages of Bondex products for wood care have changed two times. Before 2000 the product cans were squared, in 2004 one could already find round shaped cans with an image screaming wood everywhere. In 2006 were launched the current cans being sold in the market (See Appendix I, Exhibit 19).

### **3.3.4. Support materials**

#### **Inspiration Catalogs**

Dyrup has two different kinds of catalogs. The one which includes all Dyrup’s products from all brands and the ones called inspirations catalogs. The first type aims to inform the re-sellers and professionals of all the products the company has and provide them useful information such as packages sizes and prices. With this catalog Dyrup was nominated for prize at Cannes due to the innovative way of presenting the portfolio. (See Appendix I, Exhibit 20)

The second type, inspiration catalogs are very important when selling the product to the end consumer. He can get to know which products the brand offers, but also his task of choosing the

color of the wood stain he wants to buy gets easier. The company's objective when producing catalogs is to inspire consumers and make them buy Bondex. To better accomplish its purpose, catalogs usually bring real samples (small wood pieces painted with Bondex products) that make them very expensive; one of the reasons why Bondex's catalogs did not always carried it.

In Bondex specific catalog, besides the general one already talked about, there was always some information to help the final consumer when caring their wood with Bondex, such as how to clean the wood before treating it, what are the advantages of using each product and how to apply them (See Appendix I, Exhibit 21). Also, throughout the years Bondex products have been added to the catalog, though there has always been a higher focus on wood stains. The colors of wood stains that have been included in catalogs have been the ones with wood shades and not the ones from the system Dyrumatic. In fact, the only catalog re-sellers have received with the 80 available colors for Bondex Classic in the Dyrumatic system was a PDF file.

The overall image and message the catalogs transmitted has not always been the same. In 2006 catalogs transmitted tradition and family heritage; family pictures and smooth and light colors were used. On the other hand, the catalog released in the end of 2008 had a completely different and modernized look: images were only about wood structures and colors were sophisticated (See Appendix I, Exhibit 21).

In June 2010 the last Bondex catalog was released. Its image is very similar to the 2008 one but it already contains Bondex ADN and a larger range of Bondex products besides wood stains. In this catalog less information about how to care the wood is provided and instead of containing real samples it contains fake samples (the paper has texture to pretend it is wood) (See Appendix I, Exhibit 21).

Besides these catalogs Dyrup gives its re-sellers a set of Bondex wood stains real samples so they can show it to their clients to choose a color. These samples are bigger and easier to compare and multi-brand stores find them very important.

### **Point of Sale**

#### **a) PRO**

The concept Shop-in-Shop (SIS) inserted in the market by Dyrup in 2002 (See Appendix I, Exhibit 5) helps Dyrup's brands having more visibility on multi-brand stores and also enables the company to have more control over the re-seller regarding the display of the products. Thus in stores that joined the concept the company can be less worried. Nonetheless many re-sellers do not have SIS and they can display Bondex as they feel like. Moreover, there are stores in which the client has got to stand in

front of the counter and does not get the chance of see all the products for sale. This is the case of Coriprel, a busy multi-brand store in Lisbon. The store sells Bondex; however the only product for wood that one standing in the counter can see is Woodtec.

#### b) DIY

According to Cláudia Reis, a former Dyrup's marketing manager, the point of sale has never been the highest strength of Bondex in DIY. She claimed the image was old fashioned and that in most cases the brand cannot get more shelf space because the store does not want to harm its private labels. When she worked there, from 2006 to 2010, the company wanted to outline a didactic strategy aimed to help the final consumer that does not understand anything about wood care products and that usually needs help. Mainly because in DIY stores typically they will not have all the help they want from the few employees available. Dyrup wanted to advise final consumers and guide them step by step through all the process of taking care of wood.

Currently these plan's results are not visible in DIY stores, however when going to the wood care section one mainly sees products from Bondex or private labels. Bondex has got much visibility.

### 3.3.5. Bondex within Dyrup

As it has already been said the focus of Dyrup Iberia is the paint and not the wood care market. The marketing department has been organized in a different way till 2010, time when the new marketing director entered the company. Before Nuno Ferreira Pires came in, managers were divided by channels: PRO and DIY and in each division employees gave more attention to paint than to Bondex. Claudia, a former worker, even said "Bondex was kinda forgotten".

In 2010 Nuno Ferreira Pires has changed the structure of the department because he believed Bondex was a strong asset for the company and was being undervalued. Managers were divided by two business units: paint and wood care & specialties (wood care products, waterproofing products and accessories). This restructuring enabled managers to be more focused on the wood care market and came to give some importance to Bondex. However, the fact that the department has been changed did not change the budget distribution; the wood care business unit still has a very relatively small slice of the pie.

Moreover, the fact that Bondex has, from 2010 on, a manager dedicated to it in almost full time does not mean Dyrup sales force is focused on it. Bondex is many times used to conquer new customers (multi-brand stores). Due to its prestige and importance in the category every paint store wants to sell Bondex, so Dyrup starts by selling wood care products to later introduce Dyrup's products. From then on the focus of the seller will be paint because he knows he will always have Bondex orders



whereas he might lose Dyrup's paints space. All his forces will be directed to sell more paint. A real proof of it was the campaign made during the summer of 2011. Sellers would be rewarded if they reached some established targets of Bondex sales. The result was a significant increase in this brand's sales.

Even though Bondex is not the focus of Dyrup Iberia it is considered an asset to the company. The core of this subsidiary can be the paint, yet one cannot forget that the focus of the group is the wood care market.

### **3.3.6. Communication**

Villar stated "Bondex lives of what it has been and meant in the market till now (2011), the company does not communicate Bondex".

The name of the company, and as a consequence the brand Dyrup, is getting much awareness in the country due to all the initiatives already explained. However the brand Bondex is not getting much of it, just Dyrup is communicated. Even in the past, when the company did not put so many efforts into get Portugal to talk about it, Dyrup was much more communicated than Bondex. When Ricardo Dias entered the company in 2001, a radio spot was launched communicating Bondex while a Dyrup TV ad was on air. Since then the only communication around Bondex is based on the posting of its ads in the specific wood products magazine: Casas de Madeira (Wood Houses), which still happens in 2011. Ricardo referred the marketing department wanted to copy a Danish event and paint the wood under the train rails in a train station with Bondex Velaturas Opacas, each bar of a different color, all of it from one day to the other to surprise people. However the plan was too expensive and ended up by not being carried forward.

### **3.3.7. Bondex positioning in the wood care market**

According to Villar the positioning the company wants Bondex to have and the real positioning Bondex has in the market are aligned. Bondex is clearly the brand leader in the wood protection. Yet, in the last couple of years Bondex had not specified a positioning strategy. As it has already been said, Bondex has lived upon the reputation it has been constructed over the years.

By 2001 the brand transmitted an old fashioned image, the logo, the packaging and materials the trade marketing used. Also, many of the products were solvent based, which complicated its use. However, in market researches Bondex always appeared in the top 3 of brand awareness, while Dyrup did not figure there. Bondex transmitted quality and was reliable. While working at Dyrup Ricardo Dias assisted to a focus group made about Bondex: "I got stunned! The ten women making

part of the study knew everything about Bondex products. They distinguished products from each other and they knew how to apply them. They knew almost more stuff than I did”.

In 2011, consumers still trust Bondex. They know they will get a good final output and that they will not be disappointed. After all Bondex is considered by the majority the product with the highest quality in the market. Even with well known brands launching wood care product lines, such as CIN launched Woodtec, and DIY stores’ private labels growing individuals choose Bondex because they are more familiar with it and they rely its quality.

On the other hand, the brand is still perceived as traditional and non innovative by both segments. Despite the strategic move in 2010 when the company gave some steps to position the brand as innovative and modern with Bondex ADN and Bondex Aquaprotect launches. The products’ image (packaging and material supports such as flyers) (See Appendix I, Exhibit 21.7) enhanced the nanotechnology in which its development was based, but its launches were not communicated as desired, as it has been already explained.

Regarding prices, Bondex is considered to be expensive, however many people think it pays off by being such a good product.

### **3.4. *The future***

“See you tomorrow Bárbara.” It had stopped raining and the sky had gone dark. She looked around, she was the only one left in the room. Her thoughts took her faraway, but she was glad she got distracted. Bárbara stood up and dressed her coat. Would Bondex stop being the categorizer in the wood care market? When she put her foot on the first step she felt it, Bondex could not keep going on its own. Something would have to be done. But what? How should Bárbara carry on the brand? Should she change the image? Should she invest in communication? How, where? Was there an opportunity to induce a boost in the category?

She shut the door and she started the car. Tomorrow would be another day...

## Appendix I – Case Study Exhibits

### Exhibit 1. CIN's wood care products brand: Woodtec

1. Woodtec wood stains catalog – Explains its portfolio, how to apply the products and contains real samples.



2. Woodtec opaque wood stains catalog - Explains its portfolio, how to apply the products and contains real samples.



### 3. Woodtec firemen campaign



Exhibit 2. CIN's project: Re-MAKE



### Exhibit 3. Dyrup's project: Happy Liberdade



### Exhibit 4. The international Dyrup

#### History

In 1928 three engineers, college colleagues, got together to start a business. Sigurd Dyrup had recently returned from the USA where he had acquired deep knowledge on the paint industry, in fact he had conquered the vice-president position of the company Cook Paint & Varnish Co.<sup>xvii</sup> Axel Monberg and Ejnar Thorsen were partners since 1919, date when they had established the contracting company Monberg & Thorsen. The three of them founded on the January 2, 1928 the company S. Dyrup & Co A/S. It all started with the acquisition of a small factory of paint in Denmark, which was, in its very early years, focused on the development of products for rust protection. In 1932 this company was the only supplier of this kind of product for an important bridge<sup>xviii</sup> being constructed in the company's country. This successful achievement forced the company expansion and led to the construction of a new factory that is nowadays the main Dyrup's factory in Denmark.

In 1947, jointly with Højgaard & Schultz, Dyrup established its first factory abroad with the main goal of providing paint to a new bridge<sup>xix</sup> that would be constructed near Lisbon, Portugal.

In the 50s and 60s one of the major efforts of the company was in R&D so that products could become more environmental friendly, even though it was not a major problem for the society by those times. In this sense, Dyrup repeatedly launched innovative paints in the market such as the first water based glossy paint in Europe, dated from 1968. Noticing, as the time gone by, that the use of toxic products was becoming an issue and that the regulation would be tight Dyrup's interest in developing friendly paints grew day by day. A new concept was born within the group, *0% paint*, used to refer to the type of paint that is almost 100% free of any dangerous chemicals. Some years

later, in 2004, Dyrup would be rewarded by its efforts; the company would win the 'Copenhagen County Environmental Award 2003'.

In the meanwhile in the wood care market wood stains were only being used by industries, because their use was perceived to be dangerous. Dyrup saw an opportunity of growing its business and created a brand of products for wood care named Bondex. These products were introduced in the market in 1969 and they marked a turnaround in the industry, wood stains were no longer products that could only be used within the industrial activity. Bondex was a huge success and thenceforth highly influenced the strategy of the company.

In the 90s Dyrup felt the need of extend its international business to other countries besides Portugal. Its objective was to become the leading producer of wood care products in Europe. In order to accomplish its goal the company bought other European producers acting in the paint industry, mainly wood care products' producers, and opened new factories in foreign countries<sup>xx</sup>.

Until 2000, the company's focus was clearly the wood care market. However, in that year the strategy of Dyrup started to focus also on paint sales. The reason why was "the need to achieve critical mass to offer a complete product program to leading distributors at a European level"<sup>xxi</sup>.

Two years later, in 2002 a new concept was adopted by Dyrup, the concept shop-in-shop. It was developed to allow the final consumer a better and easier shop experience. Shop-in-shop consists on taylor made shelves with real samples of Dyrup's products exposed on panels that help consumers to get to know the portfolio of Dyrup and the colors it has got to offer. Moreover, they are designed to inspire consumers. The concept was diffused on owned stores and through re-sellers, which consisted of a good strategy to increase Dyrup's brands exposure on multi-brand stores. (See Appendix I, Exhibit 5)

In 2009 Dyrup presents its re-designed strategy which was named Fresh Start. The main reason leading to this change was the need of reduction of the base cost due to COGS increase and also the need of finding new and profitable growth beyond the global economic crisis. The new strategy included a re-focus of the targeted segments. A new policy started to be adopted: "Easy-to-choose, Easy-to-use" became a concept that every employee could not forget. As a result, the PRO and the DIY segments were chosen to be the future. For this reason, Dyrup sold GORI's wood industry business (production of products directed to industrial use) and acquired two more companies<sup>xxii</sup>.

The mission of the company remains the same since then: "In close partnership with customers, we will continuously develop our category by focusing on helping end users to achieve a successful result every time, as easily as possible."<sup>xxiii</sup> By end users the company refers to the professional tradesman and to private consumers. Nowadays, "Dyrup aims to be a strong alternative to the large, global paint

and wood care suppliers in Europe.” The company wants to offer the end consumer complete solutions and that is why its portfolio is so diversified.

By June 2011 Dyrup was fully owned by Monberg & Thorsen A/S, time when it was bought by the American company PPG Industries<sup>xxiv</sup>.

### **Dyrup’s Business Model**

Dyrup wants the decisions to be taken as close as possible to customers and in the most efficient way. The diversity of both the local population and consumer behavior in each country led Dyrup to create subsidiaries and delegate responsibilities on them to allow the existence of a short decision-making path.

A corporate strategy is defined and every country has got to be aligned with the group whose headquarters are located at Denmark. There are main pillars that every subsidiary has got to follow, such as the high level of attention given to the final consumer and the pursuit for more sustainable and environmentally friendly products.

Currently Dyrup has subsidiaries in nine countries: Denmark, France, Poland, Portugal, Spain, Germany, Austria, Norway, Sweden and Belgium. The production is made in the first five mentioned countries and this accounts for the most relevant source of revenue of the group. The production is then sold within all the group’s subsidiaries in a sales channel named intercompany. In addition, the group has got international partners and distributors which allow Dyrup to sell its products in more than 20 countries (See Appendix I, Exhibit 6).

### **Markets and Segments weight on the group**

The most important markets for Dyrup are mainly those markets where the production is located: Denmark, France, Poland, Portugal, Spain and Germany. From these six countries come approximately 90% of the revenues. The 10% left are accomplished by Dyrup’s products sales to other countries of Europe, Asia and Africa.

As Dyrup had once positioned itself as the wood care products provider of Europe it is in this industry that it has got more power, especially in Denmark, France and Germany. The revenues from this wood care sum approximately 50% of the total. On the other hand the paint market represents 30%, being the strongest members of the group in this area Denmark and Portugal. The 20% remaining come from the other specialties that involve fillers, damp-proofing products, tools and other paint-related products.



Both segments targeted by Dyrup, DIY and PRO, vary their relevance across Dyrup territory. Thus there are countries where DIY has a higher weight, as in Denmark, Germany and France, and there are countries where the PRO has a higher weight, as Portugal and Spain. In 2007 DIY sales accounted for 43% of the group revenues, and in 2009 this percentage grew to 52%. On the other hand, in 2009 PRO sales accounted for 48% of the total revenues of the group. DIY is clearly the segment where the group as a whole is more focused on.

### **Exhibit 5. Dyrup's Shop-in-Shop Concept**





## Exhibit 6. Dyrup's Partner and Distributors.

	Country	Company	Product/Brand
<b>Partner:</b>	Saudi Arabia	Uninvest	
<b>Distributors:</b>	Bulgaria	Albaco Impex GmbH	Bondex
	China	Heartychem Asia Ltd.	Bondex
	Croatia	Gram D.O.O	Bondex
	Czech Republic	FINESA Barvy s.r.o	Bondex
	Greece	Mimis Perahia SA & Son	Bondex & GORI
	Hungary	Dyrubond Kft.	Bondex
	Ireland	The Wood Protection Company	Bondex
	Israel	Zivey Hakeshet Ltd.	Bondex
	Italy	Jota srl	Bondex & GORI
	Republic of Korea	Farberion Co. Ltd.	Bondex & GORI
	Latvia	Sia Geomix	GORI
	Lebanon	Ets. Roland Bargoud	Bondex
	Lithuania	UAB Farberis	Bondex & GORI
	Malaysia	Natur Woodcare (M) S/B	GORI
	Slovenia	Gram D.O.O	Bondex
	Switzerland	WINOIL AG	Bondex & GORI
	Syria	Mahfouz Mohamad	Bondex
	South Africa	Floors Galore	GORI
	Thailand	Siam Woodcare Y.N.G. Trading Company Ltd.	Bondex GORI
	United Kingdom	Daomm Ltd.	GORI

## Exhibit 7. Dyrup stores break their record

### 1. Imobiliária Magazine



Ao atingir a faturação mais elevada de sempre  
**Lojas Dyrup batem recorde histórico**

A Dyrup, empresa de referência em produtos de arquitetura, decoração e construção civil, registou, no mês de agosto, o valor mais elevado de sempre da sua história em Portugal, em lojas próprias, um canal que vale no mercado das lojas em 2018 cerca de 45 milhões de euros (fonte: IPI). Num ano de crise, em que o canal de lojas próprias no setor cai 3% no semestre e 7% no último trimestre. Desde 2005 que as lojas Dyrup crescem, anualmente, a dupla dígito, e entre 2005 e 2010 as lojas Dyrup cresceram 72%. Este feito reforça os resultados da Dyrup em 2010, com um crescimento superior a 100% no seu EBIT em comparação com 2009, com um ROI de 20% e com uma quota de mercado a atingir de 16,2%.

O sucesso atingido reflete o elevado contributo da campanha de verão da marca Dyrup, em que a mensagem era "casas novas a metade do preço", onde a marca considerou os portugueses em ano de crise, e pela voz da Mariana Almeida e da José Coimbra a realitarem as lojas Dyrup e oferecem 50% de desconto.

Nuno Ferreira Pinto, diretor de marketing Sênior da Dyrup e porta-voz da empresa, explica em comunicado que: "numa altura de contenção económica, queremos ajudar os portugueses a darem este passo nas suas vidas, com o incentivo irrecusável deste desconto bilibitral... o que fez os portugueses aderirem em massa e a permitir à marca Dyrup este marco histórico, que no ano em que estamos a um duplo dígito. Além, é um triple feito se recordarmos que a nossa equipa de gestão alcançou o ano passado a duplicação do nosso resultado operacional líquido (EBIT) com um ROI de 20%".

Como variáveis chave neste percurso de sucesso a empresa apresentou o ano passado em conferência de imprensa e que relembramos: "A instituição dos colaboradores; a eficiência a cultura de valores; o foco em canais e segmentos prioritários; a criatividade e inovação" como fatores determinantes para os números extraordinários e em contraste com a economia nacional e mundial.

Apesar da recente aquisição da Dyrup pela americana PFI Industrial, a estratégia de negócio em Portugal, continua focada a destacar-se com êxito, e a ser referência para todo o grupo Dyrup no mundo, em que Portugal continua a ser best practice.

Este artigo foi escrito com as notícias do novo ano de arquitetura.

**DYRUP**  
casas novas a metade do preço

descontos  
até  
**50%**

## 2. Dyrup's Press Release

*"Lojas Dyrup apresentam os melhores resultados de sempre*

- Num ano de crise, em que o canal de lojas próprias no setor cai 3% no semestre e 7% no último trimestre, as lojas Dyrup alcançam máximo histórico em valor, em Agosto;
- Desde 2005 que as lojas Dyrup crescem, anualmente, a duplo dígito;
- Entre 2005 e 2010 as lojas Dyrup cresceram 73%.

*Lisboa, 09 de setembro de 2011 - A Dyrup, empresa de referência em produtos de arquitetura, decoração e construção civil, registou, no mês de agosto, o valor mais elevado de sempre, na sua história em Portugal (desde 1947), nas suas lojas próprias.*

*O sucesso atingido reflete o elevado contributo da campanha de verão da marca Dyrup, em que a mensagem era "casas novas a metade do preço", onde a marca convidava os Portugueses em ano de crise, e pela voz da Mariana Alvim e do José Coimbra a visitarem as lojas Dyrup e obterem 50% de desconto.*

*Nuno Ferreira Pires, diretor de marketing ibérico da Dyrup e porta voz da empresa, explica em comunicado que "numa altura de contenção económica, quisemos ajudar os portugueses a darem este passo nas suas vidas, com o incentivo irrecusável deste desconto imbatível... o que fez os portugueses aderirem em massa e a permitir à marca Dyrup este marco histórico, que no ano em que estamos é um duplo feito. Aliás, é um triplo feito se recordarmos que a nossa equipa de gestão alcançou o ano passado a duplicação do nosso resultado operacional líquido (EBIT) com um ROE de 20%".*

*Este feito histórico nas lojas Dyrup, um canal que vale no mercado das tintas em 2010 cerca de 65 milhões de euros (de acordo com a APT), vem reforçar os resultados alcançados pela Dyrup em 2010, ao registar um crescimento superior a 100% no seu EBIT em comparação com 2009, com um ROE de 20% e com uma quota de mercado à altura de 16,2%.*

*Como variáveis chave neste percurso de sucesso a empresa apresentou o ano passado em conferência de imprensa e que relembramos: a motivação dos colaboradores; a eficiência e cultura de valor; o foco em canais e segmentos prioritários; a criatividade e inovação" como fatores determinantes para os números extraordinários e em contraciclo com a economia nacional e mundial.*

*Apesar da recente aquisição da Dyrup pela americana PPG Industries a estratégia de negócio em Portugal continua focada, a destacar-se com êxito, e a ser referência para todo o grupo Dyrup no mundo, em que Portugal continua a ser best practice."*

[www.dyrup.pt](http://www.dyrup.pt)

Exhibit 8. Dyrup's logos and some products



## Exhibit 9. Portugal talking about Dyrup

1. **Green Festival** - Dyrup is a company with high ecological patterns that strongly invest in the development of products more environmentally friendly. On the 10 September 2010 the brand participated on the Green Festival. Two artists were hired to construct a 3m tree with recycled products; the giant tree included 30 screens painted with Dyrup's ecological paints. These outputs were being sold in the festival and all revenues donated to the project "Plantar uma Árvore" ("Plant a Tree") that aims to plant 250 thousand trees throughout the country. This initiative gain a slogan aligned with the company's new positioning ("Happy Colors, Happy Lives"): "Green Colors, Green Life"



2. **Guimarães, neighborhood rehabilitation** – Together with Guimarães City Hall Dyrup has rehabilitated the neighborhood of *Nossa Senhora da Conceição*. The project was developed jointly with Agatha Ruiz de la Prada that was already a partner of Dyrup when this last one developed a line of products with Agatha's inspiration. To help the citizens of that neighborhood having a happy life Dyrup offered all the paints and covered all the costs. It was a successful project developed in line with the strong corporate social responsibility of Dyrup.





3. **Moda Lisboa** – Dyrup had already been Moda Lisboa partner for several times. October 2011 edition was no exception. In fact the company took the opportunity to launch the “White Collection, by Maria Barros”

### Dyrup apresenta White Collection by Maria Barros na ModaLisboa



Dia 6 de Outubro, a Dyrup apresenta a sua nova White Collection e as tendências para a decoração 2012, na aguardada ModaLisboa.

Mais uma vez, Dyrup prova que está na moda, voltando a marcar presença na 37ª edição da ModaLisboa, onde vai apresentar a White Collection by Maria Barros e as grandes tendências de decoração para a próxima estação.

Com o tema Transfusion, a ModaLisboa faz o apelo à criação de novas ideias, texturas e uma revitalização criativa. No Lounge Dyrup, todos os visitantes podem desfilarem na passerelle White Collection, guardar e partilhar esse momento, numa fotografia trendy e única. Esta experiência vai trazer-lhe muitas outras surpresas que, à semelhança de anos anteriores, ficam guardadas no segredo dos Deuses até à abertura de portas!

Dyrup, a primeira marca de tintas a marcar presença no principal evento de moda nacional, aposta continuamente na criação de novas tendências e tem já um dos lounges mais concorridos do evento. Todas as edições, os fashion lovers rumam à ModaLisboa para ver o que há de novo também para as suas casas.

Para Nuno Ferreira Pires, Director de Marketing Ibérico da Dyrup “Este ano vamos fazer desfilarmos a White Collection by Maria Barros junto de todos os fashion lovers, na ModaLisboa. Com a presença da Dyrup na Moda em geral e na ModaLisboa, ao longo das últimas edições, queremos reforçar e credibilizar a nossa posição como empresa de referência no sector da decoração (moda de interiores) e, por isso, na responsabilidade que nos assiste de darmos a garantia a quem nos escolhe que tem uma marca que está na origem da definição de novas tendências. Nesta edição é com enorme orgulho que partilhamos a nossa White Collection... Que, como sabemos, está na moda em qualquer estação ou ano, pois o branco é puro e intemporal.”



4. **Happy Carris** – On July 2011, Dyrup created a partnership with Carris, the public transport company of Lisbon, to challenge the population from Lisbon to use the bus instead of the car in return for 50% discount vouchers in certain Dyrup's products. Through the all city of Lisbon one could see the buses decorated by Dyrup.





5. **Happy Avenue** – In 2011, together with the Lisbon City Hall Dyrup has developed the project “Happy Liberdade”. Its objective is to attract more people, happiness and joy to one of the most emblematic avenues of the city. It invites everyone to rediscover this great avenue which Dyrup wants to be known also as “Happy Avenue”.

Dyrup wants Portuguese people and everyone who walks on Avenida da Liberdade to experience unforgettable emotions through Feng Shui, an ancient Chinese system of aesthetics in which color has a fundamental role. Therefore it has been developed the set of color shapes that will make possible to make the most of each one of the nine energetical fields of the avenue. After recover and repair over 2000 pieces of urban furniture, Dyrup has painted and adorned each piece according to its field.



**Exhibit 10.** Bondex Portfolio for wood care

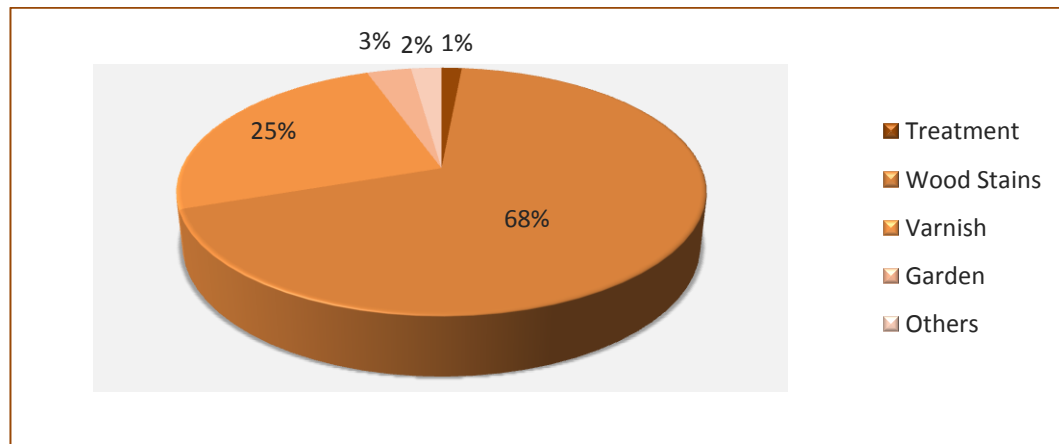
Type	Name	Base	Segments	
			DIY	PRO
Treatment	Bondex Extra Tratamento	Waterbased	Yes	Yes
Treatment	Bondex Tratamento	Solvent	Yes	Yes
Treatment	Bondex Fundo Protetor	Waterbased	Yes	No
Treatment	Bondex Tratamento Multi-usos	Waterbased	Yes	No
Wood Stain	Bondex ADN (acetinado ou mate)	Waterbased	No	Yes
Wood Stain	Bondex Classic (acetinado ou mate)	Solvent	Yes	Yes
Wood Stain	Bondex Extra (acetinada)	Waterbased	Yes	Yes
Wood Stain	Bondex Velatura Opaca	Waterbased	Yes	Yes
Wood Stain	Bondex Aquaprotect (acetinado)	Waterbased	Yes	No
Wood Stain	Bondex Protetor (acetinado ou mate)	Waterbased	Yes	No
Wood Stain	Bondex Protetor Acetinado Longa Duração	Waterbased	Yes	No
Varnish	Bondex Parquet (acetinado ou brilhante)	Waterbased	Yes	Yes
Varnish	Bondex Marítimo	Solvent	Yes	Yes
Varnish	Bondex Universal (acetinado ou brilhante)	Solvent	Yes	Yes
Varnish	Bondex Vitrificador (acetinado ou brilhante)	Solvent	Yes	Yes
Varnish	Bondex Intempérie (acetinado ou brilhante)	Solvent	Yes	Yes
Garden	Bondex Óleo de Teca	Solvent	Yes	Yes
Garden	Bondex Deck	Solvent	Yes	Yes
Others	Bondex Decapante para Madeira	-	Yes	Yes
Others	Bondex Decapante Universal	-	Yes	Yes
Others	Bondex Tapa Poros	Waterbased	Yes	Yes

**Exhibit 11.** Descontinued Bondex Varnishes





**Exhibit 12.** Weight of Sub-categories of wood care products on Bondex sales in 2010



**Exhibit 13.** Bondex Restauração – The Bondex product line for restoration



Exhibit 14. Bondex Corrostop



Exhibit 15. By Bondex – some catalogs' pages





Exhibit 16. Element by Bondex – packaging and point of sale support material



Exhibit 17. Dyrup's logo is modernized



Exhibit 18. Bondex's logo is modernized





### Exhibit 19. Bondex's packaging



### Exhibit 20. Dyrup catalog – the bible

#### 1. The bible



#### 2. Dyrup's Press Release

##### *"Dyrup lança "Bíblia"*

A Dyrup, empresa de referência no setor das tintas e líder em tendências de decoração, acaba de lançar o seu inovador catálogo 2011, o qual, a conhecida marca de origem dinamarquesa denominou de "Bíblia", exaltando a exclusividade dos seus produtos e fazendo uso da criatividade em prol da funcionalidade de quem utilizar este catálogo.

A nova "Bíblia" Dyrup - de imagem ultra premium em tons de preto e prata - é uma ferramenta de trabalho ímpar onde foi possível compilar de forma sumária tudo o que é preciso nesta área, capaz de corresponder às necessidades dos profissionais mais exigentes. Moderno, requintado e bastante intuitivo, o novo catálogo 2011 da Dyrup encontra-se materializado em quatro esferas de negócio – Dyrup, Bondex, Acessórios e diP – e engloba todos os produtos, preços, cores de stock e suas aplicações reais separados em bolsas identificadas.

*Este catálogo, resultado do trabalho de uma equipa de especialistas que tornou possível esta compilação de uso simples, revolucionando o conceito tradicional de catálogo de produto, tornando-se numa ferramenta de trabalho indispensável a todos os profissionais de arquitetura, decoração e amantes da bricolage.*

*A acrescer a isto, e igualmente como resultado da enorme consciência ambiental da Dyrup Ibéria, este catálogo é suscetível de atualização, o que lhe permite a sua constante renovação sem ser necessário reimprimir novos catálogos por razões de atualização diversa, contribuindo assim para um menor carbon footprint.*

*Para receber esta "Bíblia" contacte a Dyrup Ibéria através do 808 502 000."*

[www.dyrup.pt](http://www.dyrup.pt)





## 2. 2005 – opaque wood stains catalog with real samples



**BONDEX**  
**VELATURA OPACA**

**PURA INSPIRAÇÃO**

**DYRUP**

**BONDEX**

**Especialmente indicado para:**

- Todas as madeiras no interior e em janelas, portas, varandas, alpendres, mobiliário de jardim, etc., no exterior;
- A renovação, sem lixar, de madeiras anteriormente protegidas com velaturas;
- Não deve ser aplicado sobre vernizes ou superfícies esmalçadas.

**Nota:** As cores devem ser aplicadas sobre madeira de pinho. As tonalidades finais poderão variar devido à qualidade das madeiras ou do sistema de aplicação utilizado.

811	Branco perolado
346	Carvalho
744	Vermelho terra
763	Castanho escuro
566	Verde floresta
683	Vermelho papoia
405	Azul forte
336	Amarelo sol

**VELATURA**

**Benefícios:**

- Ideal para mudanças totais de cor;
- Bom resistência à intempérie;
- Evidencia a textura da madeira;
- Ativável no Sistema Dyrupatic;
- Aplicação fácil.

**Descrição:**

BONDEX Velatura Opaca é um produto microporoso, à base de resinas alquídicas e acrílicas, que confere um bonito acabamento acetinado à madeira sobre a qual é aplicada. Não oculta a sua textura, deixando adivinhar o "desenho" dos seus veios. É um produto aquecido e de longa durabilidade.

**Propriedades:**

- BONDEX Velatura Opaca protege a madeira da acção nefasta dos agentes atmosféricos agressores (sol, chuva, humidade, etc.), actuando de um modo especial contra os raios U.V., ao mesmo tempo que permite as transferências de humidade entre a madeira e o meio ambiente;
- A inclusão de agentes fungicidas antibacterianos e antifúngicos de superfície na sua formulação, permite a BONDEX Velatura Opaca beneficiar de uma duração excepcional, mesmo no exterior;
- Grças à sua flexibilidade, pode ser aplicado em madeiras novas ainda não totalmente estabilizadas;
- O seu alto poder de cobertura permite cobrir com precisão as suas madeiras na cor desejada;
- No Sistema de Tintagem Dyrupatic poderá obter uma alargada variedade de cores claras e médias.

**Preparação da Superfície:**

- As superfícies deverão estar secas e isentas de gorduras, poeiras, algas e fungos;
- Se existirem, remover completamente as camadas antigas de tinta ou vernizes, até à obtenção de madeira nova, por lixagem ou descapagem. (Bondex Descapante para Madeira);
- De uma maneira geral, a humidade do substrato não deve exceder 10% nas madeiras macias (p.e. Pinho e Faia) e 12% nas madeiras densas (p.e. Mogno e Nogueira);
- Não aplicar a temperaturas inferiores a 5°C ou graus de humidade relativa superiores a 80%.

**Aplicação:**

- Misturar bem antes de usar;
- Aplicar 2 demãos de BONDEX Velatura Opaca, com intervalo no interior a 2-3 dias e no exterior, estendendo bem o produto;
- As madeiras susceptíveis de ataques de insectos xilófagos devem ser previamente protegidas com 1-2 demãos de Bondex EXTRA Tratamento;
- A manutenção das superfícies protegidas com BONDEX Velatura Opaca é muito fácil, uma vez que para a sua conservação e manutenção basta aplicar 1 demão de renovação após limpeza das mesmas, dispensando lixagem ou descapagem prévias.

Diluição:	Tempo de Secagem:	Limpeza:	Rendimento Médio:
Não diluir. Produto pronto a aplicar.	• Ao tacto: após 1-2 horas • Para repintura: 24 horas	• Com água e sabão, imediatamente após a aplicação.	• 8-12m²/l por demão, dependendo do grau de porosidade da madeira.

**Nota:** As informações constantes deste boletim são meramente orientadoras. Considerando as diferentes condições de trabalho, recomendamos que se proceda a ensaios prévios. Para informações mais detalhadas, contactar a Sersop e Clientes (Linha Verde).

**Tintas Dyrup, S.A.**  
Rua Cidade de São, 26  
2090-221 Sacavém  
Tel. +351 218 413 290 - Fax +351 218 413 293  
www.dyrup.pt

**DYRUP**  
800 200 873

### 3. 2006 – general catalog with real samples

[illegible]





## 5. 2008 – general catalog with real samples



**BONDEX**

Pura inspiração

**DYRUP**

**TRATAMENTO ref.º 4380**

**Descrição:**  
Bondex Tratamento é um produto líquido de aplicação simples e económico, baseado em princípios naturais, que protege a madeira contra a humidade, o sol e a poluição.

**Vantagens:**

- Protecção natural e ecológica, não altera a cor da madeira.
- Protecção contra a humidade, o sol e a poluição.
- Protecção contra a humidade, o sol e a poluição.
- Protecção contra a humidade, o sol e a poluição.

**Embalagens:**  
Bondex Tratamento é vendido em embalagem de 500 ml e 1 L.

**MATE ref.º 4385**

**Descrição:**  
Bondex MATE é um produto líquido de aplicação simples e económico, baseado em princípios naturais, que protege a madeira contra a humidade, o sol e a poluição.

**Vantagens:**

- Protecção natural e ecológica, não altera a cor da madeira.
- Protecção contra a humidade, o sol e a poluição.
- Protecção contra a humidade, o sol e a poluição.
- Protecção contra a humidade, o sol e a poluição.

**Correção e embalagem:**  
Bondex MATE é vendido em embalagem de 500 ml e 1 L.

**ACETINADO ref.º 4390**

**Descrição:**  
Bondex ACETINADO é um produto líquido de aplicação simples e económico, baseado em princípios naturais, que protege a madeira contra a humidade, o sol e a poluição.

**Vantagens:**

- Protecção natural e ecológica, não altera a cor da madeira.
- Protecção contra a humidade, o sol e a poluição.
- Protecção contra a humidade, o sol e a poluição.
- Protecção contra a humidade, o sol e a poluição.

**Correção e embalagem:**  
Bondex ACETINADO é vendido em embalagem de 500 ml e 1 L.

**Preparação da superfície:**

Antes de aplicar o produto, a superfície da madeira deve estar limpa, seca e livre de qualquer tipo de revestimento. A aplicação deve ser feita com uma escova de cerdas duras ou um rolo de espuma.

BONDEX	TRATAMENTO ref.º 4380	MATE ref.º 4385	ACETINADO ref.º 4390
Em interiores	Aplicar 1 a 2 vezes de 30 em 30 minutos.	Aplicar 1 a 2 vezes de 30 em 30 minutos.	Aplicar 1 a 2 vezes de 30 em 30 minutos.
Em exteriores	Aplicar 1 a 2 vezes de 30 em 30 minutos.	Aplicar 1 a 2 vezes de 30 em 30 minutos.	Aplicar 1 a 2 vezes de 30 em 30 minutos.
Em madeira já tratada com BONDEX MATE ou BONDEX ACETINADO			Aplicar 1 a 2 vezes de 30 em 30 minutos.
Em madeira nova			
Em madeira já atacada			
Sistema de aplicação	Escova de cerdas duras ou rolo de espuma.	Escova de cerdas duras ou rolo de espuma.	Escova de cerdas duras ou rolo de espuma.
Diluição	Não diluir.	Não diluir.	Não diluir.
Tempo de secagem	24 horas.	24 horas.	24 horas.
Resistência	Resistência a humidade, sol e poluição.	Resistência a humidade, sol e poluição.	Resistência a humidade, sol e poluição.

Nota: Os dados técnicos são apenas orientativos e não devem ser usados como base para a aplicação do produto. Consulte o manual de instruções para mais detalhes.

**BONDEX**

**MATE ref.º 4385**



Nota: Os dados técnicos são apenas orientativos e não devem ser usados como base para a aplicação do produto. Consulte o manual de instruções para mais detalhes.

**BONDEX**

**ACETINADO ref.º 4390**



Nota: Os dados técnicos são apenas orientativos e não devem ser usados como base para a aplicação do produto. Consulte o manual de instruções para mais detalhes.

6. 2009 – flyer for garden product line



7. 2009 – flyer for Bondex ADN







### Case Study Sources:

- <http://www.aptintas.pt>
- <http://www.wikipedia.com>
- <http://www.marketeer.pt/2009/06/30/robbialac-pinta-se-de-fresco/>
- <http://www.tsf.pt/PaginaInicial/Portugal/Interior>
- <http://www.tsf.pt/PaginaInicial/Economia/Interior>.
- [www.dyrup.com](http://www.dyrup.com)
- <http://www.icis.com/Articles/1991/03/11/16467/dyrup-buys-stake-in-pinturas-ricolor.html>
- <http://www.monthor.com/>
- [www.ppg.com](http://www.ppg.com)
- <http://www.groupe-adeo.com>
- Interviews with former and current marketing managers from Tintas Dyrup, S.A.
- Market Research
- Confidential studies from Tintas Dyrup, S.A.

## 4. Appendix II – Market Research

### 4.1. Research Methodology

The aim of my study is to understand the positioning of Bondex in Portugal and identify gaps and opportunities of growth in the wood care market. In order to be to give enough information to one to solve the case a market research took place to answer the following three research questions:

4. Why has Bondex been the categorizer in the wood care market until nowadays?
5. What is the current positioning of Bondex in the wood care market?
6. Is there an opportunity to induce a boost in the category?

The first step of the research consisted in the division of it into two different researches, one for each segment. This division was mandatory since both segments are very different in their relation with wood care products.

The initial plan developed regarding PRO involved a quantitative research. The plan was to approach professionals at multi-brand stores. However, when the process started the researcher found very difficult to make painters answer the survey; mainly due to the seasonality of the industry that highly limits the number of painters going to buy material and to the painters' availability and time constraints. Nevertheless, while waiting for professionals to come to stores the researcher noticed that sellers were willing to help by being interviewed and providing some information. Thus the strategy to get information to answer to research question from the PRO point of view completely changed. Instead of running a quantitative research with painters as respondents, a qualitative research was developed with multi brand sellers as respondents. An interview has been designed; however it has served just as an icebreaker in the deep interviews that occurred. Four deep interviews took place in four different stores: Continsol LDA in Carcavelos, Coriprel in Lisbon, José da Costa & Ventura LDA in Lisbon and Dela Robia Comércio de Tintas LDA in S. Domingos de Rana. The length of the conversations varied between fifteen and thirty minutes. Outputs were used to answer research questions and to write the case study.

To get insight about the DIY consumer a quantitative research took place. An on-line survey was designed and checked with Dyrup's managers. Afterwards it was written an e-mail, which contained a link to the survey, asking people who received the e-mail to forward it to their contact list. The link to the questionnaire was also posted on the researcher personal page on facebook. The survey was on air during one week, 139 persons opened the link, 117 started it and only 77 have completed it. To analyze results SPSS and Excel were used and a detailed analysis was written.

On the DIY questionnaire the option of increase in sales through exports was not studied, since Dyrup Iberia already exports Bondex's products.

The results of both researches were analyzed separately and results are presented also separately. The two first research questions are answered by each segment and the third research question is answered only by the DIY segment. Responses are presented in the following sections and quantitative analysis in the Market Research Exhibits, Exhibit 1.

## **4.2. PRO - Research Questions answers:**

### **4.2.1. Why has Bondex been the categorizer in the wood care market until nowadays?**

According to multi brand stores' sellers Bondex has been the leader in the wood care market due, in part, to the variety of products that has presented over the years. It first started by being a wood stain brand but it has evolved over the years, nowadays it presents a diversified and complete portfolio.

The quality of Bondex is also recognized, respondents claim their clients rarely have complaints about the product.

According to sellers the brand invested a lot in communication which has been of great help to the awareness of the brand. This awareness is perceived to be one of the reasons why Bondex has become a categorizer.

The familiarity painters have with the brand as a result of the years it is commercialized in the market is also presented to be one reason to its success. While other brands such as Cuprinol (Robbialac) or Prodexor (Barbot) have had their ups and downs, Bondex has always been present in the market with a great force.

### **4.2.2. What is the current positioning of Bondex in the wood care market?**

Some painters still associate Bondex with wood stain<sup>xxv</sup> and no other wood products, such as varnish. When they want to buy a wood stain they simply ask for Bondex while when they want a varnish and the seller gives them a Bondex varnish they say they do not want Bondex, they want varnish.

However, there is a major part that already encompasses all wood care products in the Bondex universe. Paulo, from Coriprel, says he would not risk not having Bondex in his store; it is a product that must exist in any store.

On the other hand there are still some people asking for other brands such as Cuprinol. Even though it is now more used by industries and not well positioned as already was near painters since it has few products variety and very specific.

Regarding Woodtec, few painters ask for it directly, yet there are some painters that come to the store and ask for CIN's products for wood care. Sellers state that painters trust CIN and that CIN is investing a lot in the communication of Woodtec and Woodtec materials such as catalogs. Jorge, a seller from the store Dela Robia who works in the business since 1973, says that Woodtec is gaining territory and taking some space from Bondex. This is worsened by the fact that sellers think Dyrup has stopped communicating Bondex; Paulo, from Coriprel even stated Dyrup had frozen. Jorge stated that Bondex is still the leader, but because Woodtec is still a young brand with four years old. From his point of view if communication and efforts from both brands remain as they are there are some probabilities of Woodtec being the leader in the market of wood care products in the future.

Even though Bondex is perceived as being the product with the best quality in the wood care market painters find it expensive. They are choosing other brands that are more affordable. They are willing to harm the final output quality in order to be able to present the final customer a lower budget, accomplishing their final objective which is to satisfy the end consumer (than more than ever seeks for low cost solutions).

Sellers also claim that there are fewer painters that use one specific brand because yes. Younger painters value the quality of the product over the name of brand.

### **4.3. DIY - Research Questions answers:**

#### **4.3.1. Sample characterization**

117 individuals have started the questionnaire, but there were many dropouts. It would be difficult to take into consideration all the answers the quitters have been able to answer, thus it was established a criterion. Many respondents have dropped out in the question 1.7, so all the answers of the respondents who answered until the question 1.6 (inclusive) would be analyzed. All the answers from those quitting in any question before 1.6 would be completely excluded. From 1.6 on only the answers from those 77 who have completed the questionnaire would be taken into consideration. One of the reasons leading to this criterion is that the first six questions of the survey are very important to respond to the third research question ("Is there an opportunity to induce a boost in the category?") and they are also independent of the sections 2 and 3 of the questionnaire. Besides, 20 more individuals' answers are very significant in a small sample as it is this one.

As the demographic questions were placed in the end of the survey the characterization that follows is the description of the 77 who have gone till the end.

62% of the individuals were females and 38% males (Exhibit B). 72% of the respondents were aged between the 23 and 60 years old, more specifically 16% under 30 years old, 13% between 31 and 40



years old, 31% between 41 and 50 years old and 13% between 51 and 60 years old (Exhibit C). 25% of the 77 individuals were aged 22 years old or less and 3% above 61 years old (Exhibit C).

Regarding education, 86% of the sample who finished the questionnaire has higher education, while the remaining 14% is in high school (Exhibit D). Regarding the field of study or activity 27% of the individuals are from management and economics and the remaining ones are spread through diverse areas (Exhibit E). 14% of the respondents account for engineering, construction and architecture (Exhibit E).

To which concerns to the income level some people preferred to not to answer this question (13%) (Exhibit F). 31% earn less than 1000€ per month, 16% between 1000€ and 2000€, 22% between 2000€ and 4000€ and 17% more than 4000€ (Exhibit F).

53% of the sample buys wood care products in DIY stores and 26% in hypermarkets (Exhibit G). 13% use the PRO channel (multi brand stores) and 8% goes to brand owned stores.

#### **4.3.2. Why has Bondex been the categorizer in the wood care market until nowadays?**

Individuals mainly buy Bondex because they receive friends' recommendations in that sense. From the analysis (Market Research Exhibits – Exhibit 1) it can be concluded that there is a word-of-mouth effect from which Bondex is benefiting. The other two major reasons that lead individuals to pick Bondex are its products' quality, which is perceived to be the highest in the market, and the belief that Bondex is the brand of the products being sold at the best price/quality relationship in the market.

#### **4.3.3. What is the current positioning of Bondex in the wood care market?**

In the wood care market DIY consumers are not much aware of the existing brands (Market Research Exhibits – Exhibit 1). Nevertheless there is a high level of brand recall regarding the brand Bondex; it is a well known brand in the market.

The two most important characteristics of wood care products are considered to be the quality and the price of the product. Consumers perceive Bondex as being of better quality than private labels; however they consider it more expensive. Consumers also find important the recommendations they receive about one brand, and Bondex is considered to have more recommendations than private labels.

Consumers also believe Bondex is a trustable brand that guarantees them a good output. The DIY market does not think Bondex is a premium brand, it sees it as a traditional brand, not innovative

and non environmental friendly. This last fact can be related to the industry itself and not the specific product.

#### **4.3.4. Is there an opportunity to induce a boost in the category?**

According to the analyses that have been done (Market Research Exhibits – Exhibit 1), the major part of the population already has wood at home. Moreover, they are satisfied with the quantity of wood they have. Thus it can be concluded that increasing wood care products' sales by increasing the sales of wood would probably not be a successful way of boosting the category.

On the other hand, one possibly good way of boosting the category would be to remember people that their wood has got to be taken care of. Many results from the analysis point into that way. First, the reason that limits the large percentage of individuals that do not take care of their wood or just do it once every 3 years or more is simply oblivion, which indicates that if they remembered it they would take care of their wood. Secondly, the principal reasons why people actually get to do it (independently of how often) are the fear of seeing their wood being damaged by fungi and termites and the advices they receive to take care of wood. Thirdly, almost every individuals claim they take seller' advices and recommendations, even if they recommend a specific brand.

At last, a very small part of the individuals said they take care of their wood because they like to change their home's decoration and change the colors of its spaces, which means they first think about the other reasons. Appealing to the decorator inside each individual by inspiring them can be a good approach to the individual that might increase the category sales.

#### **4.4. Conclusions**

After analyzing the market research results one is able to answer to the research questions. Bondex has been the categorizer in the market till nowadays mainly because it has high quality products that constitute a diversified portfolio sold in the market for years now. The brand has initially been highly communicated and consumers feel familiarity with the name. Nowadays there is a word-of-mouth effect and Bondex is recommended by many.

It is currently positioned in the market as the best quality product for wood care. Even though it is perceived as being expensive it is a brand that every store must have. DIY associates the brand with tradition and do not perceive it as being premium or innovative. The PRO finds it a brand that currently does not communicate.

Regarding the category as a whole, the researcher concludes it can be induced a boost. Mainly by creating consciousness in consumers' minds to which concerns to wood damage and recommendations of professionals.

#### **4.5. Limitations and further research**

The limitations found when trying to carry the study near the PRO segment were already explained in the research methodology: seasonality of the industry and painters' unavailability and time constraints.

Regarding DIY one limitation identified is the relatively low number of respondents. Also there were some flaws on the questionnaire that did not allow the researcher to take as much insight from the consumer as expected. It was not asked respondents to rate Bondex in general. The results from this question would have allowed determining which are the product and brand characteristics that really impact the perception respondents have (ANOVA).

By looking at the results and analysis one can understand there is some space to create a boost in the category near DIY segment. To define how the company should do it Dyrup should define more than one strategy. There should be conducted a study near the consumers to check which of the options is more viable. Regarding PRO, a quantitative study should be run to try to answer the third research question within this segment.

## 4.6. Market Research Exhibits

### Exhibit 1. Quantitative Analysis of the Research Questions for the DIY segment

#### 1. Why has Bondex been the categorizer in the wood care market until nowadays?

→ Reasons that lead consumers to buy Bondex:

From all 53 respondents that claimed to know the brand Bondex (Exhibit L – 1.2), 81% have already bought these products to care their wood (Exhibit H). The major part of these individuals, 37% (Exhibit I) has chosen to buy wood care products from the brand Bondex due to a friend recommendation; 21% because they believe it is the brand whose products have the better quality of the market (Exhibit I); and 14% because they believe the relationship price/quality is best in the market (Exhibit I).

→ Have Bondex ever disappointed any consumer? Why?:

Bondex has never let down any consumer; all the 43 individuals that were asked if Bondex had already disappointed them answered no (Exhibit J).

#### 2. What is the current positioning of Bondex in the wood care market?

→ Brand awareness:

Almost half (45%) of the respondents know a brand of product wood care products (Exhibit K – 1). However, only 34% of these 45%, meaning 15% of the total ( $15\% = 34\% \times 45\%$ ), has named Bondex as the brand they knew (Exhibit K – 2). The remaining brands listed are not referred here because it goes beyond the objectives of the study.

→ Brand Recall:

When respondents were directly asked if they knew the brand Bondex, 69% of them answered yes (Exhibit L – 1.1), which means that almost  $\frac{3}{4}$  of the individuals recognize the brand. From the 53 individuals that knew the brand (Exhibit L – 1.2) 62% knew it for 10 years or more (Exhibit L – 2).

→ Brand loyalty:

Unfortunately there is no enough data to take precise conclusions regarding the loyalty in this market, since only 45% of the individuals know a brand and only these were asked if they always bought the same brand. Nevertheless the percentage of respondents that actually occurs in repeat purchases of the same brand was calculated. 34% of them are loyal to the brand they have once chosen while 66% buys different brands (Exhibit M).

→ Most important characteristics when choosing a wood care product:

In order to position Bondex in the DIY market the most important characteristics have got be identified. The results from the question where respondents had to rank the characteristics according to its importance for them were analyzed in different perspectives. The first step was to recode the variables into new ones. Respondents assigned number 1 to the characteristic most important and 5 to the characteristic least important (Exhibit A – 1.7). In the new variables (the recoded ones) occurs the opposite, the number 1 stands for the least important characteristic and the number 5 for the most important variable. This recoding was made in order to understand results in easier way. The first perspective of looking into results was to sum the absolute values of all the positions each characteristic had. In this way one could at best had at maximum 385 points (77 respondents\*5 points) and at worst a minimum of 77 points (77 respondents\*1 point). From this perspective one can check (Exhibit N – 1) that the quality of the products is the most important characteristic (327 points), followed by price (270 points) and recommendations (214 points). The least important characteristics are the brand (179 points) and convenience (165 points). To complement this way of looking into results one can check the distribution of the positions within each variable. Even though standard deviations do not vary too much across the different distributions it can be seen (Exhibit N – 2) that the top three characteristics' standard deviations ( $\sigma = 1,16$  ;  $\sigma = 1,008$  ;  $\sigma = 1,177$ ) have lower values than the two least important characteristics' standard deviations ( $\sigma = 1,322$  ;  $\sigma = 1,243$ ). This fact shows that respondents have a higher level of agreement on the top three characteristics' positions in the importance rank (results are more close to the mean value); and on the other hand have more diversified opinions regarding the other two, which confirms that quality, price and the recommendations one receive regarding one product are really the top three characteristics. One can also see that the quality graph and in the price graph have negative skewness which means that answers are much more on the right hand options, represented in this case by 4 and 5 options. On the other hand one can observe the opposite phenomenon on brand and convenience graphs. The last perspective from which we analyze these results aggregates the information from the last approach (Exhibit N – 3). The percentage of times each characteristic was placed in each position of the rank was calculated. It can be easily seen that quality is by far the most important characteristic when choosing a wood care product. This characteristic was placed in first place by 62% of the respondents and just 4% of them have placed it in the position of the least important characteristic. It can also be observed that price is clearly the second most important characteristic, almost half (45%) of the respondents placed it in the second position of the rank and only 4% in the last position. Regarding recommendations one can see that 36% of the respondents have placed this characteristic in third place. Thus, it will be considered this

information but with a lower level of certainty than the top two. As for the two least important characteristics there is not sufficient data to say which one occupies the 4<sup>th</sup> and the 5<sup>th</sup> positions since numbers are too close from each other and the population is not very large. However there are no doubts that these are the least important characteristics, 62% of the respondents have placed brand in the two last positions (26%+36%) and the equivalent percentage for convenience is 70%.

→ Evaluation of the characteristics, Bondex and Private Labels:

Respondents who knew the brand Bondex, 53 (Exhibit L – 1.2), had to evaluate both Bondex and private labels on the five characteristics presented of a wood care product: quality, price, recommendations, brand and convenience. Computing the mean for each characteristic rate on each brand (Exhibit O – 1 and 2) one can verify that Bondex rate is above private label's rate in every case except on price, which was already predictable. However it has got to be checked if the differences between means are statistically relevant and are worth to take into consideration, therefore a paired sample t-test was ran. To which concerns to quality, price, recommendations and brand the null hypothesis can be rejected, which means that differences are statistically different (p-value= 0, p-value=0.038, p-value=0, p-value=0 respectively) (Exhibit O – 3). Thus, one can state with 95% sure that the quality of Bondex is perceived to be better than the quality of private labels products, that Bondex is more recommended than private labels and that Bondex brand is taken in higher consideration than private labels. On the other hand, one can also state with 95% sure that Bondex is perceived to be more expensive than private labels, even though the difference between mean values of the rates is not much bigger as the other three cases. Regarding convenience it cannot be said that Bondex was better rated than private labels, since the difference between means is not statistically different (p-value=0.116) (Exhibit O – 3).

→ Evaluation Bondex products' characteristics, buyers versus non-buyers:

Bondex rating means differences for buyers and non-buyers are not big (Exhibit P – 1). Nevertheless an independent sample t test was ran to confirm that the differences are not worth to take into consideration. The p-value for equal variances not assumed<sup>xxvi</sup> is superior to 5% in every case thus the null hypothesis cannot be rejected for any characteristic (Exhibit P – 2). As a result we cannot affirm the means are different, meaning that buyers and non-buyers perceptions of Bondex might vary or not.

→ Perceptual Map - Bondex versus private labels:

To construct the map of respondents' perceptions regarding characteristics of Bondex products and private labels products a factor analysis has been made so it would be able to construct a 2-dimensional map.

The factor analysis for Bondex characteristics (Exhibit Q) is a good model since its KMO (Kaiser-Meyer-Olkin Measure of Sampling Adequacy) value is approximately 7 (KMO = 0.695) and its Bartlett's p-value inferior to 5% (p-value=0) (Exhibit Q - 1). All extraction values from the communalities frame are superior to 0.6 (Exhibit Q - 2), which means that the factor analysis is extracting enough information from each characteristic. This factor analysis has originated 2 factors that explain 76% of the information contained on Bondex's characteristics rating answers (Exhibit Q - 3). The first factor has gathered the following characteristics: brand, quality and recommendations; and it will be named Brand Factor (Exhibit Q - 4). While the second factor gathered price and convenience; and it will be named Purchase Factor.

The factor analysis ran on private labels characteristics (Exhibit R) is not as good as the Bondex one, its KMO value is lower than 7 (KMO = 0.62); however its Bartlett's p-value is inferior to 5% (p-value=0) (Exhibit R - 1). Nevertheless it will be considered due to the following results. The factor analysis extraction is at least 0.6 for all factors (Exhibit R - 2) which means that none of the characteristics should be dropped. This data dimension reduction resulted in two factors that explain 71% of the variance of the initial variables (Exhibit R - 3). Both factors gather the same characteristics that the previous factor analysis gathered (Exhibit R - 4).

The perceptual map was not constructed in SPSS, since the data was not inserted in a way that would able it. However, having factor scores saved as variables the coordinates for each brand dot in the map can be calculated. Coordinates in the map will be the mean value of each factor for both Bondex and private labels (Exhibit S - 1). The map can then be constructed (Exhibit S - 2). Looking at this map one can have a visual idea of what has been explained until now. Perceptions about Bondex are much more positive than perceptions about private labels.

#### → Characteristics of the brands:

It was also asked respondents to rate Bondex and private labels as brands, in a scale from 1 to 4 (1 to completely disagree and 4 to totally agree). A perceptual map was not constructed because factor analyses resulted in different number of factors (Exhibit T – 1 and 2), thus not comparable factors. However, this information can be analyzed in another way: mean values of each characteristic rate were calculated (Exhibit U – 1). It can be seen people agree with almost all sentences in a positive way regarding Bondex, though with different levels of agreement. It can also be seen that they always put it in a better position than private labels (Exhibit U – 2.1 and 2.2) and that mean differences are statistically relevant since p-values for the paired sample t-test are all equal to zero (Exhibit U – 3). The sentence with which individuals agree the most is the one that says Bondex is a known brand in the market (mean=3,57). Individuals also highly agree Bondex is a trustable brand

(mean=3,51). Moreover, Bondex is also considered traditional (mean=3,38) and believed to give warranty of a good final output (mean=3,4). The first three characteristics named are also the ones where private labels and Bondex differ the most (Exhibit U – 4), the difference between means is always superior to one (mean=1,66; mean=1,283 and mean=1,245 respectively) (Exhibit U – 3). Private labels are also considered to be very different from Bondex to which concerns to whether the brand is premium or not. However, Bondex was rated 3,26 in this characteristic; which is the fourth worst rate for Bondex in this bundle (even though the absolute value is not much different from the ones close to it in the rank of the rates means) (Exhibit U – 4).

Individuals agree Bondex is a brand that gives them good ideas, advices and instructions (mean=3,28), that offers a wide color variety (mean=3,3) and that its products are easy to apply (mean=2,23) (Exhibit U – 3).

On the other hand, on average, individuals do not agree Bondex is an innovative brand (mean=2,94) or that it is environmentally friendly (mean=2,7). However, individuals might think the category to which these kind of products belong are not environmentally friendly, since this characteristic is one presenting the second lower difference between private labels and Bondex.

#### → Purchase Intentions:

The 53 that claimed to know Bondex were asked if the next time they needed to purchase a wood care product they would buy Bondex. None of them has answered no right away, but only 32% answered they yes, while 68% said they did not know (Exhibit V). It can be concluded the purchase intentions are not very high, but at least they are not negative.

### **3. Is there an opportunity to induce a boost in the category?**

#### → Do people have wood at home? Why do they take care of it?:

As it could be expected the major part of the population answered yes when asked if they had some wood structure at home, such as floor, ceilings or furniture. Specifically this major part refers to 98% of the 99 people that answered to this question (Exhibit W). Regarding how often these people take care of their wood, almost half (48%) of them do it once (27%) or twice (21%) a year. 8% do it once every two years, 24% once every three years and 21% never do it (Exhibit X). These last two groups were asked why they are not more careful with their wood. The results to this question were analyzed separately, because when crossing this information (from both questions: How often do you take care of your wood? And, why don't you take care of your wood more often?), one gets to confirm that these variables are dependent. The Pearson Chi-Square from the Chi-Square Tests of the crosstab (Exhibit Y) is lower than 5% (p-value=0.4%), so one can with 95% sure reject the null



hypothesis, meaning that the frequency with which people take care of their wood has an impact on why do they do not it more often. Moreover, the Cramer's V value is more close to one than to zero, which means the relationship is quite strong and it is worth to consider (Cramer's V value=0.599≈0.6). Thus it can be observed (Exhibit Z) that people that take care of their wood once every three years or more do not do it more often due to diverse reasons: "it takes a lot of work" (35%), "it is expensive" (13%), "the wood does not need it" (26%) and "I do not remember it" (26%). While on the other hand the others that never take care of their wood do not do it mainly because they do not remember (65%).

The reasons that mainly lead individuals to care their wood once or twice a year or once every two years are, in most cases (37% and 39% respectively) (Exhibit AA), the fact that the wood can be attacked by fungi and termite and the advices they have received in that sense. Therefore it can be concluded that individuals that take care of their wood more often do not do it due to decoration motives, but because they do not want their wood damaged. When people more neglected with their wood eventually end up by taking care of it it is due to the fact that the wood can be attacked by fungi and termite (26%), due to advices they have received in that sense (35%) or because the products previous applied are peeling off (21%), which makes sense since their wood is cared less frequently.

→ Do people want more wood at home? If not, why not?

From all respondents that already have wood at their homes 43% would like to have even more structures or furniture and 57% do not (Exhibit BB). In order to justify why not, these respondents had to choose one option from a list. However, the major part of them did not pick one, instead they have added their own answer that basically consisted in their satisfaction with the quantity of wood they already have. Thus, there was the need of incorporate this option in the whole (Exhibit CC). It can be observed that the individuals that claim to have already the desired quantity of wood at home represent 41% of the total. However the other reasons cannot be forgotten, the wood deteriorates a lot and gives a lot of work to take care of it are also valid reasons, accounting for 18% and 14% respectively.

[From here on, only 77 respondents will be taken into account accordingly what have already been said in the research methodology.]

→ Do people take sellers advices and recommendations?

90% of the 77 respondents state they take their wood (such as furniture or windows) sellers' advices and recommendations (Exhibit DD). Only 10% state they do not take their sellers' advices. When asked if they would buy the specific brand their sellers' have recommended 34% of the respondents

most likely will (Exhibit EE), while 56% answered “probably yes” and only 10% answered “probably not”. Thus one can conclude that individuals have a positive attitude regarding taking sellers advises even when they specifically name a product brand.

## Exhibit A. DIY Questionnaire

Estou a finalizar o Mestrado de Gestão da Universidade Católica e venho pedir a sua ajuda para responder a este questionário sobre as preferências e atitudes do segmento particular no mercado de produtos para o cuidado da madeira.

O questionário demora entre 5 e 7 minutos, e não existem respostas certas ou erradas, apenas a sua opinião pessoal. Os dados serão totalmente anónimos, peço que responda com total sinceridade.

O seu contributo é muito importante para a realização deste projecto por isso desde já agradeço a sua participação.

### 1. A madeira

1.1. Tem alguma estrutura de madeira em casa, como tecto, chão, portas, janelas ou móveis?

- ☐ Sim
- ☐ Não (passa para a pergunta 1.4)

1.2. Com que frequência cuida das suas madeiras?

- ☐ 2 vezes por ano (passa para a pergunta 1.4)
- ☐ 1 vez por ano (passa para a pergunta 1.4)
- ☐ 1 vez de dois em dois anos (passa para a pergunta 1.4)
- ☐ 1 vez de três em três anos ou mais
- ☐ Nunca

1.3. Porque não cuida da sua madeira mais vezes? Seleccione por favor uma opção.

- ☐ Porque dá muito trabalho
- ☐ Porque é caro
- ☐ Porque a madeira não precisa
- ☐ Porque não me lembro
- ☐ Outra: \_\_\_\_\_

1.4. Qual a principal razão que o/a leva a cuidar das suas madeiras?

- ☐ Porque a madeira pode ser atacada por fungos e bichos
- ☐ Porque gosto de brincar com a decoração e mudar as cores dos espaços de minha casa
- ☐ Porque os produtos anteriores estão a descascar
- ☐ Porque gosto de recuperar móveis antigos
- ☐ Porque me distrai e entretém
- ☐ Porque me recomendaram que o fizesse
- ☐ Outra: \_\_\_\_\_

1.5. Gostaria de ter mais madeira em casa?

- ☐ Sim (passa para a pergunta 1.7)
- ☐ Não

1.6. Porque razão não gostaria de ter mais madeira em sua casa?

- ☐ Porque dá muito trabalho
- ☐ Porque se estraga muito
- ☐ Porque é caro
- ☐ Porque não gosto
- ☐ Outra: \_\_\_\_\_

- 1.7. Para si, quais são os factores mais importantes na escolha do produto para o cuidado da madeira? Por favor ordene os seguintes factores de acordo com a sua importância, deve colocar 1 no factor mais importante e 5 no factor menos importante.

- ☐ Conveniência (existe em lojas perto de mim)  
☐ Preço  
☐ Marca  
☐ Qualidade do produto  
☐ Recomendações

- 1.8. Quando compra um móvel de madeira ou uma estrutura de madeira (portas, janelas, chão ou tecto) segue os conselhos e recomendações do vendedor?

- ☐ Sim  
☐ Não

## 2. As marcas

- 2.1. Conhece alguma marca de produtos para o cuidado da madeira?

- ☐ Não (passa para a pergunta 2.3)  
☐ Sim. Qual ou quais? \_\_\_\_\_

- 2.2. Compra sempre a mesma marca de produtos para o cuidado da madeira?

- ☐ Não  
☐ Sim. Qual? \_\_\_\_\_

- 2.3. Se o fornecedor da sua madeira ou a loja onde comprou o móvel de madeira recomendar uma certa marca vai comprar produtos dessa marca? Por favor seleccione uma opção.

- ☐ É muito provável que sim  
☐ É provável que sim  
☐ É provável que não  
☐ É muito provável que não

## 3. BONDEX

- 3.1. Conhece a marca Bondex?

- ☐ Sim  
☐ Não (passa para a pergunta 4.1)

- 3.2. Há quanto tempo conhece a marca Bondex?

- ☐ 1 a 3 anos  
☐ 4 a 6 anos  
☐ 7 a 9 anos  
☐ 10 anos ou mais

- 3.3. Como avalia os seguintes parâmetros na marca Bondex (produtos para madeira) e em marcas brancas? Por favor coloque na coluna de cada marca o número que achar mais adequado, sendo 1-muito bom, 2-bom, 3-mau e 4-muito mau.

	Marcas Brancas	Bondex
Conveniência (existe em lojas perto de mim)		
Preço		
Marca		
Qualidade do produto		
Recomendações		

- 3.4. Indique até que ponto concorda com as seguintes afirmações relativas à marca Bondex (produtos para madeira) e às marcas brancas. Por favor coloque na coluna de cada marca o

número que achar mais adequado, sendo 1-concordo plenamente, 2-concordo, 3-não concordo e 4-discordo totalmente.

	Marcas Brancas	Bondex
É amiga do ambiente		
É fácil de aplicar		
Dá-me garantia de um bom trabalho final		
Tenho confiança na marca		
Dá boas ideias, conselhos e instruções		
É inovadora		
Oferece uma grande variedade de cores		
É uma marca premium		
É tradicional		
É uma marca conhecida no mercado		

3.5. Já comprou produtos Bondex para madeira?

- ☐ Sim  
☐ Não (passa para a pergunta 3.7)

3.6. Das razões abaixo apresentadas seleccione por favor aquela que o/a levou a escolher a marca Bondex para produtos de madeira.

- ☐ A variedade de produtos oferecida pela marca  
☐ A qualidade dos produtos Bondex é a melhor do mercado  
☐ Na loja onde procurei material só existia a marca Bondex  
☐ É a única marca que tem um tipo de produto que necessito  
☐ O pintor que contratei pediu que comprasse Bondex  
☐ Porque me foi recomendado por um conhecido/amigo  
☐ É barato  
☐ Porque estava em promoção  
☐ É a marca que vende produtos com a melhor relação preço/qualidade  
☐ Vi um catálogo Bondex que me inspirou bastante  
☐ Outra: \_\_\_\_\_

3.7. Alguma vez a marca Bondex o desiludiu?

- ☐ Sim  
☐ Não (passa para a pergunta 3.9)

3.8. Porque razão a marca Bondex o desiludiu? Seleccione por favor uma opção.

- ☐ A qualidade do produto era má  
☐ Não existia na marca Bondex o produto de que necessitava  
☐ A embalagem era pouco prática e de má qualidade  
☐ Não existia a cor que procurava  
☐ Deixou de existir o produto que precisava  
☐ Deixou de existir a cor que precisava  
☐ Tive que percorrer uma grande distância para comprar Bondex  
☐ O preço era muito elevado  
☐ Outra: \_\_\_\_\_

3.9. Da próxima vez que necessitar comprar produtos para madeira vai comprar Bondex?

- ☐ Sim  
☐ Não sei  
☐ Não

#### 4. Sobre quem respondeu

4.1. Por favor assinale com uma cruz o seu género.

- ☐ Feminino  
☐ Masculino

4.2. Indique por favor a sua idade.

- ☐ 22 anos ou menos  
☐ Entre 23 e 30 anos  
☐ Entre 31 e 40 anos  
☐ Entre 41 e 50 anos  
☐ Entre 51 e 60 anos  
☐ 61 anos ou mais

4.3. Qual é o seu nível de escolaridade?

- ☐ Sem nível de escolaridade  
☐ Ensino básico  
☐ Ensino Secundário  
☐ Ensino Superior

4.4. Qual a sua área de estudo ou de trabalho?

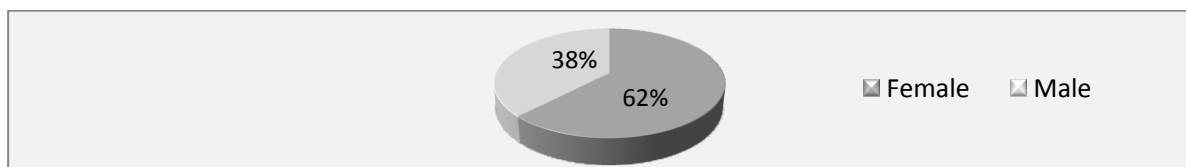
- |   |   |
|---|---|
| <input type="checkbox"/> Pesca e Agricultura              | <input type="checkbox"/> Gestão e Economia          |
| <input type="checkbox"/> Indústria, Produção e Manufatura | <input type="checkbox"/> Informática e Internet     |
| <input type="checkbox"/> Arquitectura e Construção        | <input type="checkbox"/> Jurídica                   |
| <input type="checkbox"/> Artes, Cultura e Entretenimento  | <input type="checkbox"/> Recepção e Secretariado    |
| <input type="checkbox"/> Biologia, Física e Química       | <input type="checkbox"/> Saúde e Assistência Social |
| <input type="checkbox"/> Comércio                         | <input type="checkbox"/> Segurança                  |
| <input type="checkbox"/> Comunicação e Redacção           | <input type="checkbox"/> Serviços financeiros       |
| <input type="checkbox"/> Distribuição e Logística         | <input type="checkbox"/> Telecomunicações           |
| <input type="checkbox"/> Educação                         | <input type="checkbox"/> Turismo e Restauração      |
| <input type="checkbox"/> Engenharia                       | <input type="checkbox"/> Outra:                     |

4.5. Indique por favor em que lugar é mais comum comprar produtos para madeira.

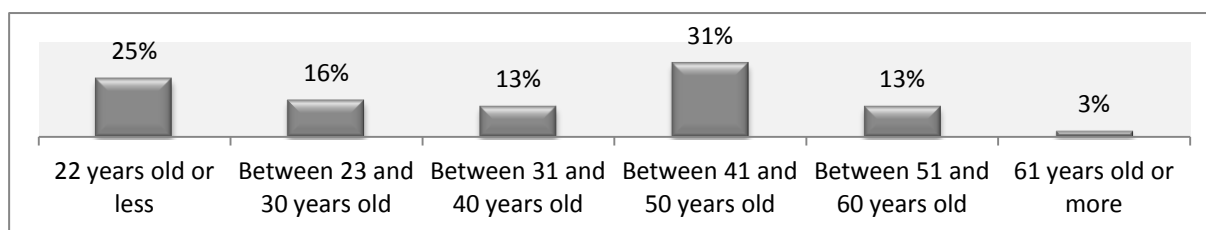
- ☐ Lojas Multi-Marca  
☐ Lojas próprias de uma marca de tinta  
☐ Grandes Superfícies de Bricolage (ex: Akí)  
☐ Grandes Superfícies Alimentares (ex: Continente)

A sua ajuda foi muito importante. Muito obrigada pela colaboração!

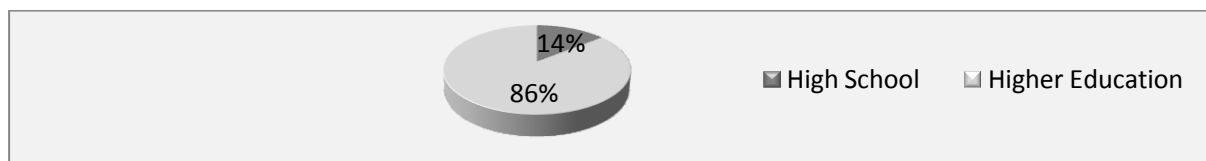
#### Exhibit B. Sample Characterization - gender:



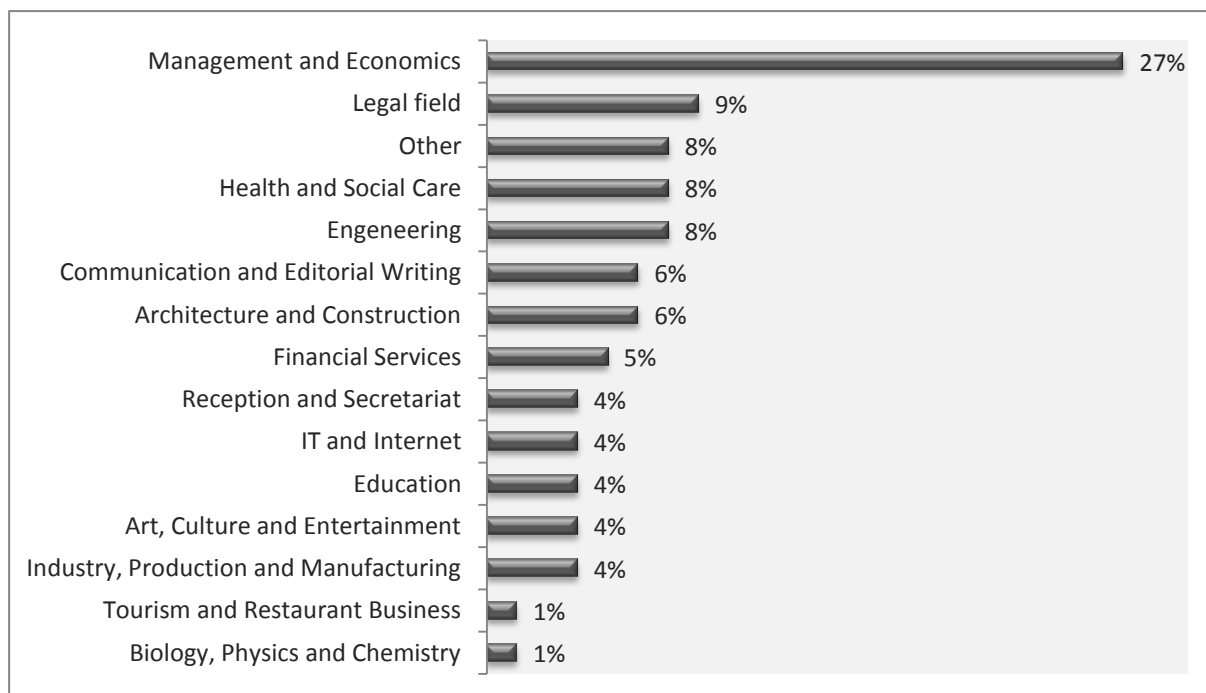
**Exhibit C.** Sample Characterization - age:



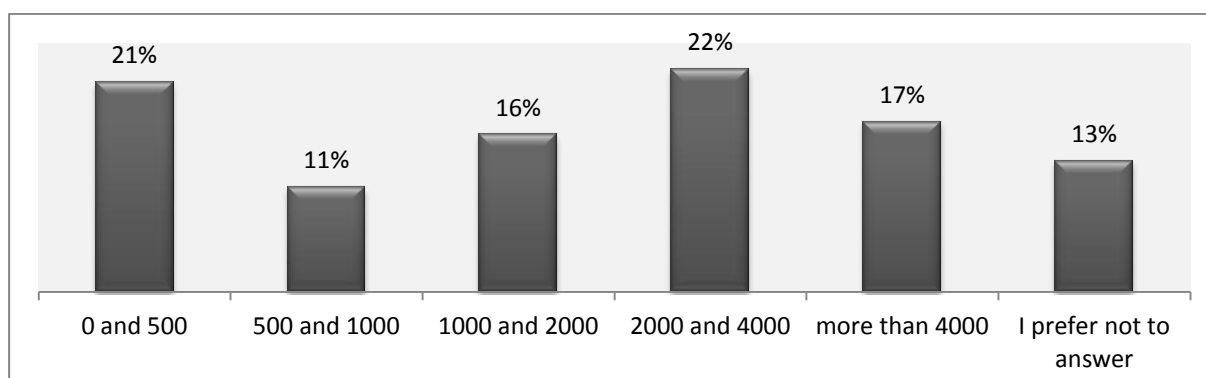
**Exhibit D.** Sample Characterization – education level:



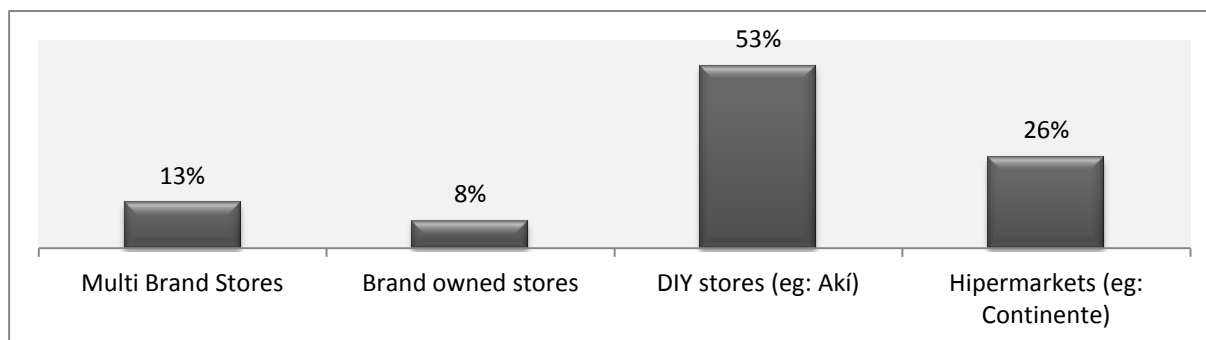
**Exhibit E.** Sample Characterization – field of study or professional activity:



**Exhibit F.** Sample Characterization – income level:



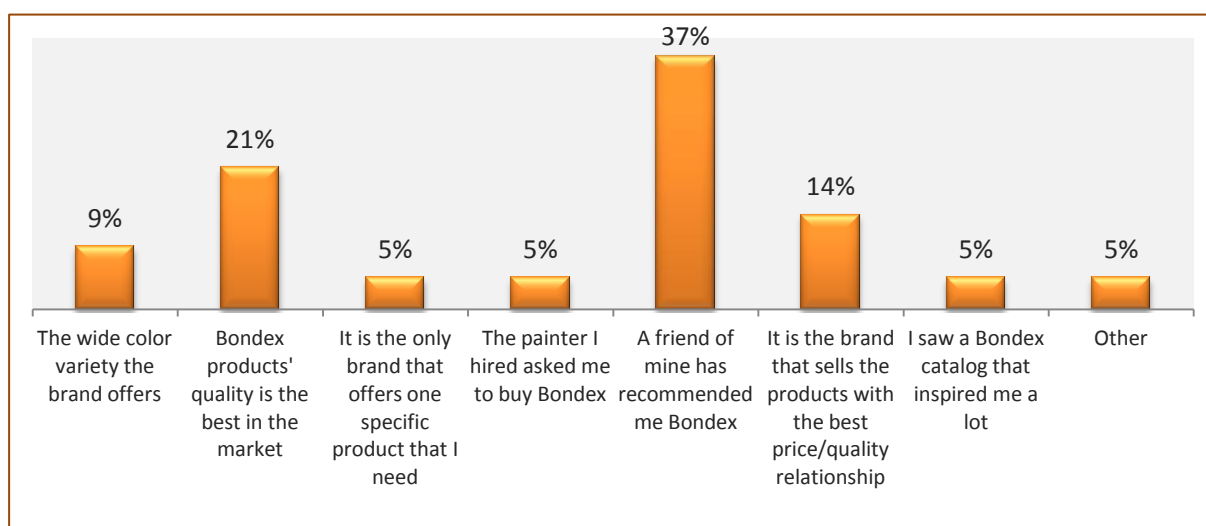
**Exhibit G.** Sample Characterization – purchase habits:



**Exhibit H.** How many respondents that know Bondex have already bought it?

Have you ever bought Bondex products for wood care?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	43	43,4	<b>81,1</b>	81,1
	No	10	10,1	<b>18,9</b>	100,0
	Total	53	53,5	100,0	
Missing	0	46	46,5		
Total		99	100,0		

**Exhibit I.** Why have individuals bought Bondex products for wood care?



**Other:**

The seller recommended me Bondex  
Bondex was the brand my parents used to have in their home.

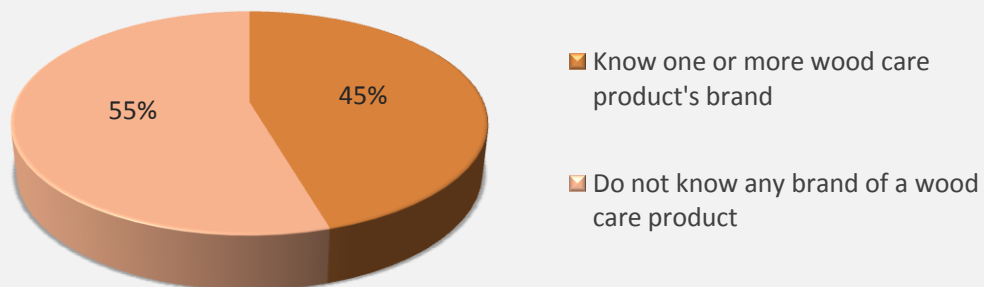


**Exhibit J.** Have Bondex disappointed any respondent consumer?

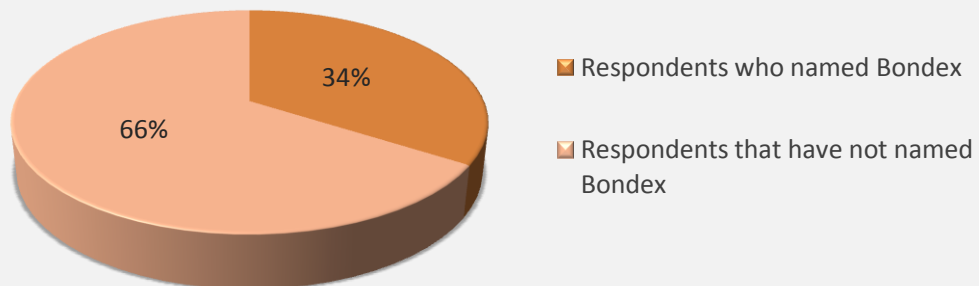
Did the brand Bondex ever disappoint you?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	43	43,4	<b>100,0</b>	100,0
Missing	0	56	56,6		
Total		99	100,0		

**Exhibit K.** Brand Awareness

**1) Respondents who know one or more wood care product's brand**

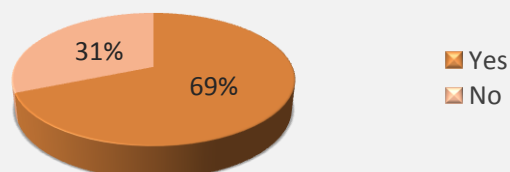


**2) Respondents who named Bondex**



**Exhibit L.** Brand Recall

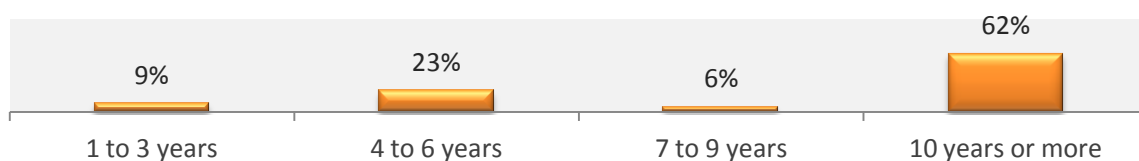
**1.1) Do you know the brand Bondex?**



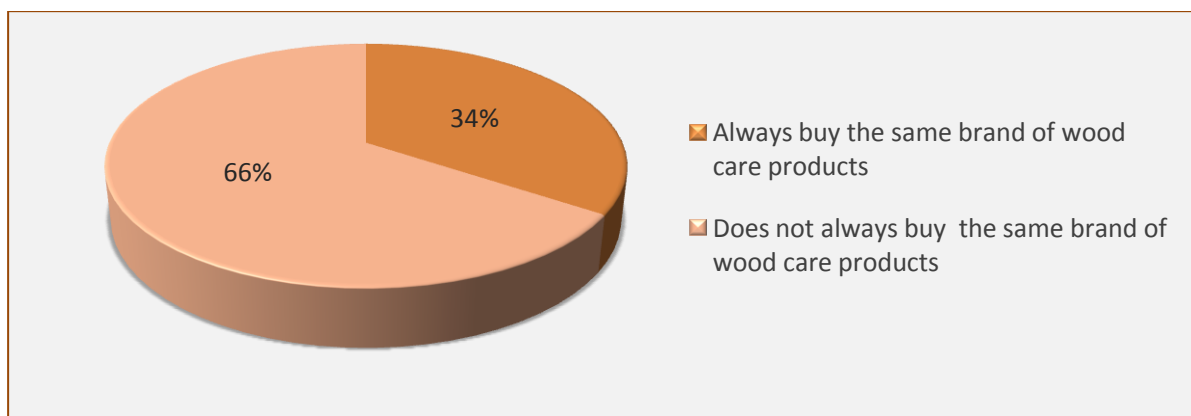
### 1.2) Do you know the brand Bondex?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	53	53,5	68,8	68,8
	No	24	24,2	31,2	100,0
	Total	77	77,8	100,0	
Missing	0	22	22,2		
Total		99	100,0		

### 2) For how long do individuals know Bondex?



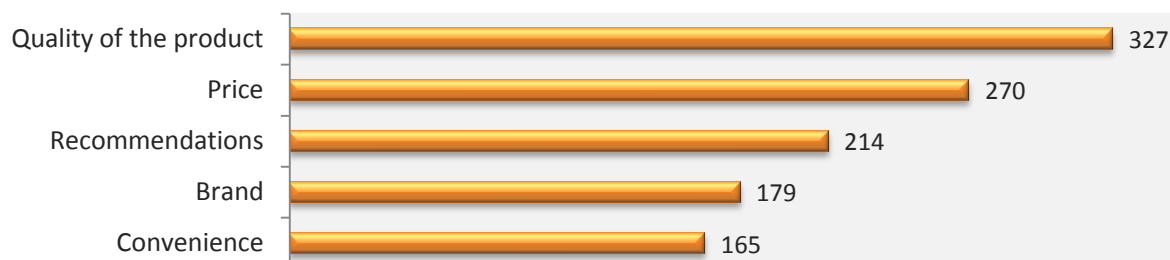
### Exhibit M. Brand Loyalty in the market within those that know a brand



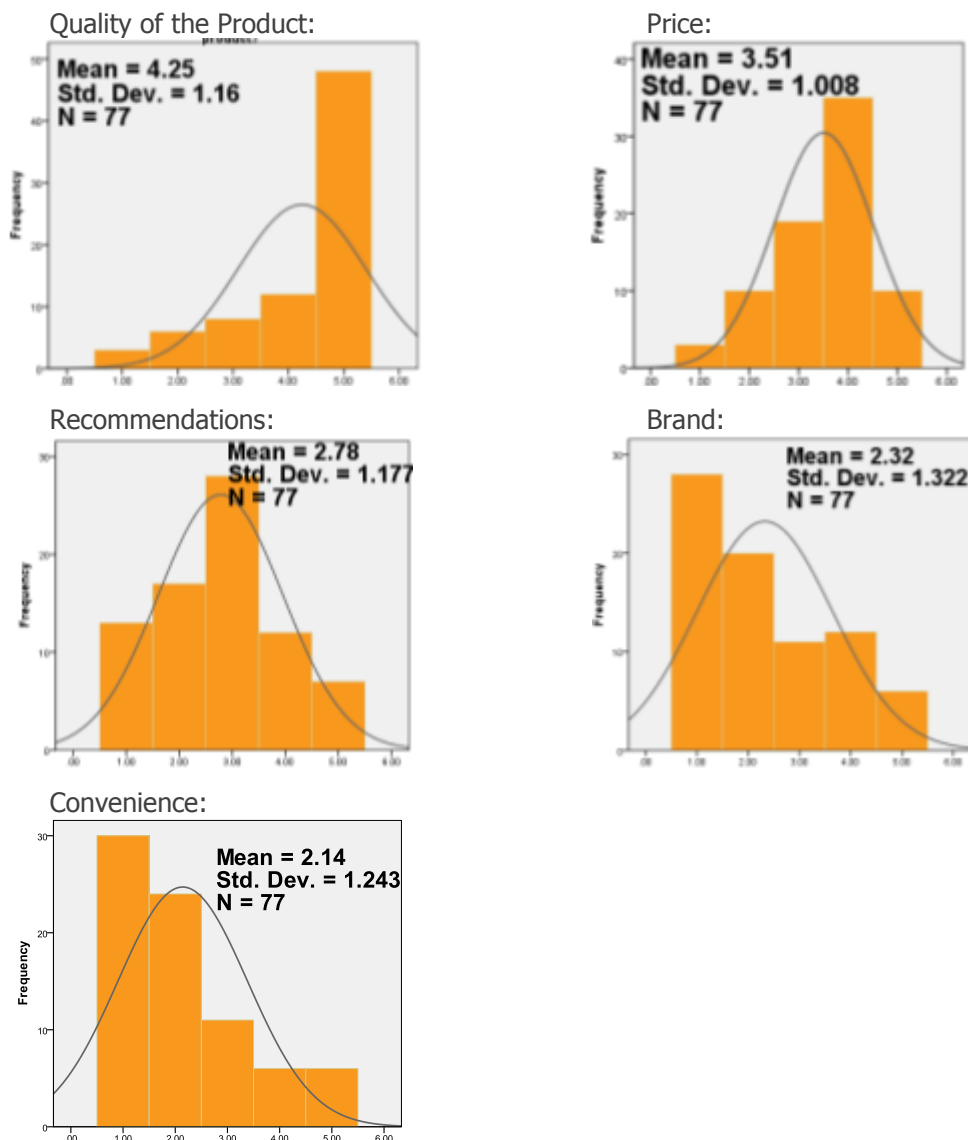
### Exhibit N. Most important characteristics when choosing a wood care product.

#### 1) Rank of product characteristics

Sum of the absolute values of all positions each characteristic had

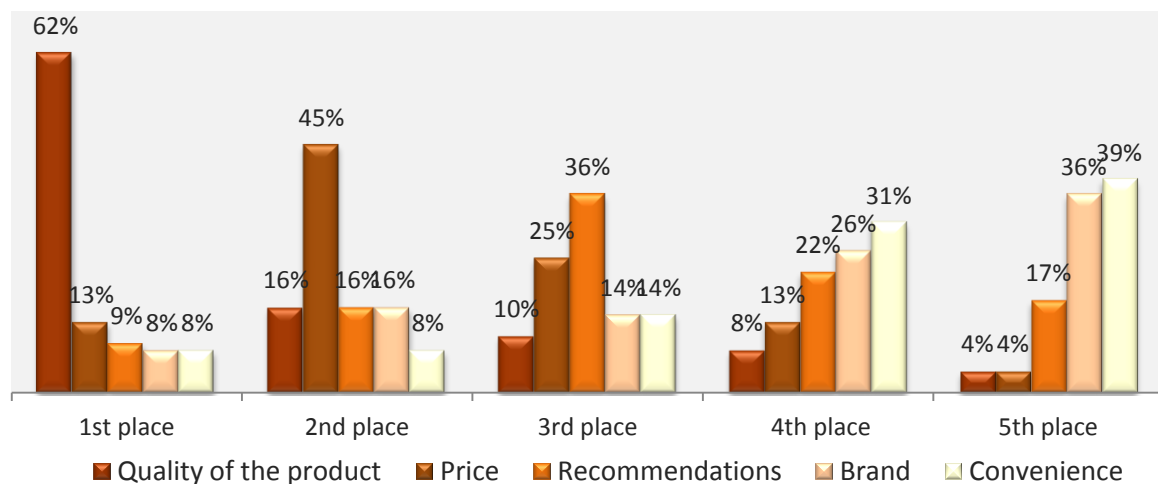


## 2) Rank of Product Characteristics: Means and Distributions



## 3) Rank of product characteristics

% of times each characteristic was placed in each position of the rank

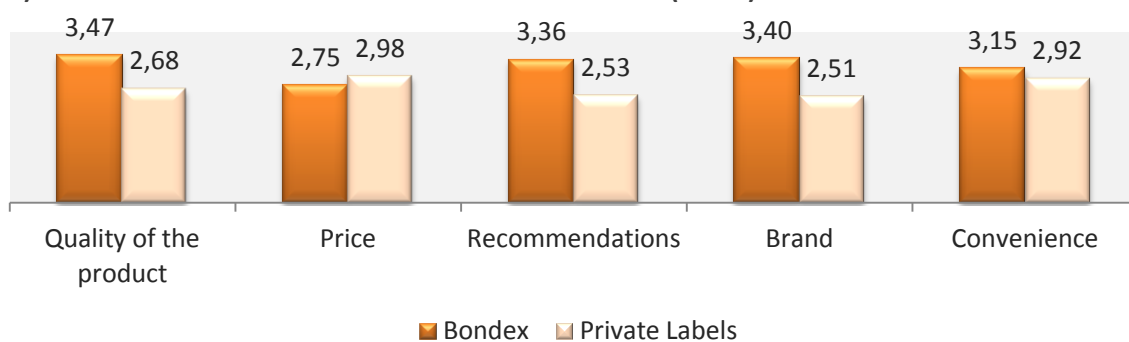


**Exhibit O.** Product characteristics' evaluation

**1) Paired Samples Statistics**

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	3.3. Private Labels' Product Quality	<b>2,68</b>	53	,547	,075
	3.3. Bondex's Product Quality	<b>3,47</b>	53	,541	,074
Pair 2	3.3. Private Labels' Price	<b>2,98</b>	53	,665	,091
	3.3. Bondex's Price	<b>2,75</b>	53	,477	,065
Pair 3	3.3. Private Labels' Recommendations	<b>2,53</b>	53	,668	,092
	3.3. Bondex's Recommendations	<b>3,36</b>	53	,591	,081
Pair 4	3.3. Private Labels' Brand	<b>2,51</b>	53	,576	,079
	3.3. Bondex's Brand	<b>3,40</b>	53	,599	,082
Pair 5	3.3. Private Labels' Convenience	<b>2,92</b>	53	,781	,107
	3.3. Bondex's Convenience	<b>3,15</b>	53	,794	,109

**2) Mean value of the evaluation of each characteristic (0 to 4)**



**3) Paired Samples Test**

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviat ion	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	3.3. Private Labels' Product Quality - 3.3. Bondex's Product Quality	-,792	,689	,095	-,982	-,602	-8,368	52	<b>,000</b>
Pair 2	3.3. Private Labels' Price - 3.3. Bondex's Price	,226	,776	,107	,013	,440	2,125	52	<b>,038</b>
Pair 3	3.3. Private Labels' Recommendations - 3.3. Bondex's Recommendations	-,830	,914	,126	-1,082	-,578	-6,610	52	<b>,000</b>
Pair 4	3.3. Private Labels' Brand - 3.3. Bondex's Brand	-,887	,824	,113	-1,114	-,660	-7,833	52	<b>,000</b>
Pair 5	3.3. Private Labels' Convenience - 3.3. Bondex's Convenience	-,226	1,031	,142	-,511	,058	-1,599	52	<b>,116</b>

**Exhibit P. Characteristics' evaluation: buyers versus non-buyers**

<b>1) Group Statistics</b>					
	3.5. Have you ever bought Bondex products for wood care?	N	Mean	Std. Deviation	Std. Error Mean
3.3. Bondex's Product Quality	Yes	43	<b>3,49</b>	,551	,084
	No	10	<b>3,40</b>	,516	,163
3.3. Bondex's Price	Yes	43	<b>2,74</b>	,492	,075
	No	10	<b>2,80</b>	,422	,133
3.3. Bondex's Recommendations	Yes	43	<b>3,35</b>	,613	,093
	No	10	<b>3,40</b>	,516	,163
3.3. Bondex's Brand	Yes	43	<b>3,35</b>	,613	,093
	No	10	<b>3,60</b>	,516	,163
3.3. Bondex's Convenience	Yes	43	<b>3,16</b>	,814	,124
	No	10	<b>3,10</b>	,738	,233

<b>2) Independent Samples Test</b>										
		Levene's Te		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence	
									Lower	Upper
3.3. Bondex's Product Quality	Equal variances assumed	,74	<b>,39</b>	,46	51,00	,65	,09	,19	-,30	,47
	Equal variances not assumed			,48	14,18	<b>,64</b>	,09	,18	-,31	,48
3.3. Bondex's Price	Equal variances assumed	1,13	<b>,29</b>	-,33	51,00	,74	-,06	,17	-,39	,28
	Equal variances not assumed			-,36	15,29	<b>,72</b>	-,06	,15	-,38	,27
3.3. Bondex's Recommendations	Equal variances assumed	,57	<b>,45</b>	-,24	51,00	,81	-,05	,21	-,47	,37
	Equal variances not assumed			-,27	15,50	<b>,79</b>	-,05	,19	-,45	,35
3.3. Bondex's Brand	Equal variances assumed	,57	<b>,45</b>	-1,20	51,00	,24	-,25	,21	-,67	,17
	Equal variances not assumed			-1,33	15,50	<b>,20</b>	-,25	,19	-,65	,15
3.3. Bondex's Convenience	Equal variances assumed	,22	<b>,64</b>	,22	51,00	,82	,06	,28	-,50	,63
	Equal variances not assumed			,24	14,57	<b>,82</b>	,06	,26	-,50	,63

**Exhibit Q. Factor Analysis: reduction of Bondex characteristics**

**1) KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		<b>,695</b>
Approx. Chi-Square		87,758
Bartlett's Test of sphericity	df	10
	Sig.	<b>,000</b>

**2) Communalities**

	Initial	Extraction
3.3. Bondex's Product Quality	1,000	<b>,805</b>
3.3. Bondex's Price	1,000	<b>,739</b>

3.3. Bondex's Recommendations	1,000	<b>,750</b>
3.3. Bondex's Brand	1,000	<b>,812</b>
3.3. Bondex's Convenience	1,000	<b>,694</b>

### 3) Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2,494	49,888	49,888	2,494	49,888	49,888	2,434	48,672	48,672
2	1,306	26,118	76,006	1,306	26,118	76,006	1,367	27,334	<b>76,006</b>
3	,618	12,370	88,376						
4	,303	6,057	94,433						
5	,278	5,567	100,000						

### 4) Rotated Component Matrix

	Component	
	1	2
3.3. Bondex's Brand	<b>,899</b>	,056
3.3. Bondex's Product Quality	<b>,885</b>	,147
3.3. Bondex's Recommendations	<b>,866</b>	-,027
3.3. Bondex's Price	-,131	<b>,850</b>
3.3. Bondex's Convenience	,274	<b>,787</b>

## Exhibit R. Factor Analysis: reduction of private labels characteristics

### 1) KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		<b>,620</b>
	Approx. Chi-Square	58,970
Bartlett's Test of Sphericity	df	10
	Sig.	<b>,000</b>

### 2) Communalities

	Initial	Extraction
3.3. Private Labels' Product Quality	1,000	<b>,665</b>
3.3. Private Labels' Price	1,000	<b>,741</b>
3.3. Private Labels' Recommendations	1,000	<b>,626</b>
3.3. Private Labels' Brand	1,000	<b>,790</b>
3.3. Private Labels' Convenience	1,000	<b>,755</b>

### 3) Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2,121	42,424	42,424	2,121	42,424	42,424	2,115	42,292	42,292
2	1,454	29,086	71,511	1,454	29,086	71,511	1,461	29,219	71,511
3	,597	11,931	83,442						
4	,493	9,863	93,305						
5	,335	6,695	100,000						

### 4) Rotated Component Matrix

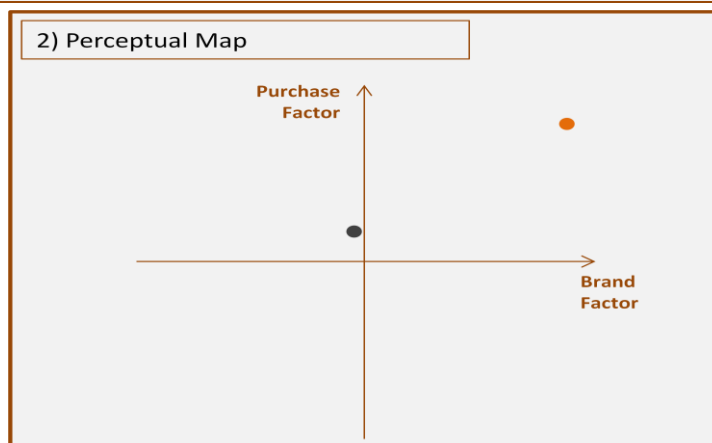
	Component	
	1	2
3.3. Private Labels' Brand	<b>,881</b>	-,112
3.3. Private Labels' Product Quality	<b>,807</b>	,114
3.3. Private Labels' Recommendations	<b>,790</b>	-,044
3.3. Private Labels' Convenience	,160	<b>,854</b>
3.3. Private Labels' Price	-,192	<b>,839</b>

### Exhibit S. Perceptual Map

#### 1) Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Brand Factor - Bondex	53	-2,56544	1,37378	<b>,0265835</b>	,98657445
Purchase Factor - Bondex	53	-2,64422	2,20163	<b>,0597851</b>	,98399591
Brand Factor- Private Labels	53	-1,92150	1,78319	<b>-,0082633</b>	1,01399590
Purchase Factor - Private Labels	53	-2,35067	1,92584	<b>,0146118</b>	1,00509205
Valid N (listwise)	53				

#### 2) Perceptual Map



**Exhibit T. Factor Analysis: reduction of Bondex brand characteristics**

**1) Private Labels - Rotated Component Matrix**

	Component		
	1	2	3
3.4 Private Labels are traditional	,852	,036	,111
3.4 Private Labels are premium brands	,791	,345	,057
3.4 Private Labels are known brands in the market	,742	,059	,476
3.4 Private Labels give me good ideas, advices and instructions	,275	,796	,251
3.4 Private Labels are easy to apply	-,275	,764	,097
3.4 Private Labels offer a wide color variety	,512	,748	,056
3.4 Private Labels are innovative	,443	,613	,205
3.4 Private Labels are environmentally friendly	-,045	,153	,887
3.4 I trust Private Labels	,448	,159	,740
3.4 Private Labels give me a good output warranty	,383	,475	,524

**2) Bondex - Rotated Component Matrix**

	Component	
	1	2
3.4 Bondex is a known brand in the market	,847	,095
3.4 I trust Bondex	,843	,338
3.4 Bondex is traditional	,808	-,124
3.4 Bondex gives me a good output warranty	,794	,294
3.4 Bondex gives me good ideas, advices and instructions	,765	,174
3.4 Bondex is easy to apply	,637	,381
3.4 Bondex offer a wide color variety	,575	,410
3.4 Bondex is environmentally friendly	-,071	,758
3.4 Bondex is innovative	,291	,747
3.4 Bondex is a premium brand	,546	,569

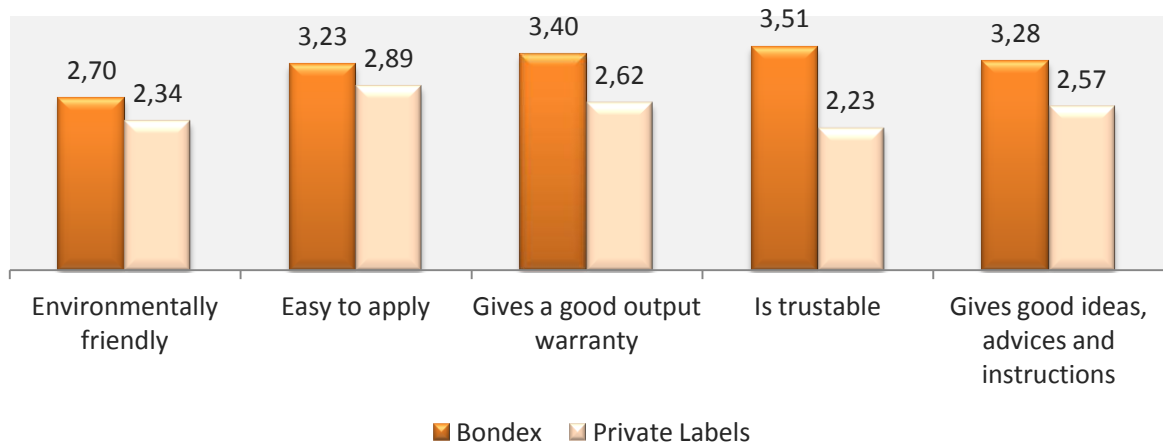
**Exhibit U. Brands characteristics' evaluation**

<b>1) Paired Samples Statistics</b>					
		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	3.4 Private Labels are environmentally friendly	<b>2,34</b>	53	,553	,076
	3.4 Bondex is environmentally friendly	<b>2,70</b>	53	,668	,092
Pair 2	3.4 Private Labels are easy to apply	<b>2,89</b>	53	,640	,088
	3.4 Bondex is easy to apply	<b>3,23</b>	53	,505	,069
Pair 3	3.4 Private Labels give me a good output warranty	<b>2,62</b>	53	,596	,082
	3.4 Bondex gives me a good output warranty	<b>3,40</b>	53	,599	,082
Pair 4	3.4 I trust Private Labels	<b>2,23</b>	53	,750	,103
	3.4 I trust Bondex	<b>3,51</b>	53	,608	,084
Pair 5	3.4 Private Labels give me good ideas, advices and instructions	<b>2,57</b>	53	,721	,099
	3.4 Bondex gives me good ideas, advices and instructions	<b>3,28</b>	53	,533	,073

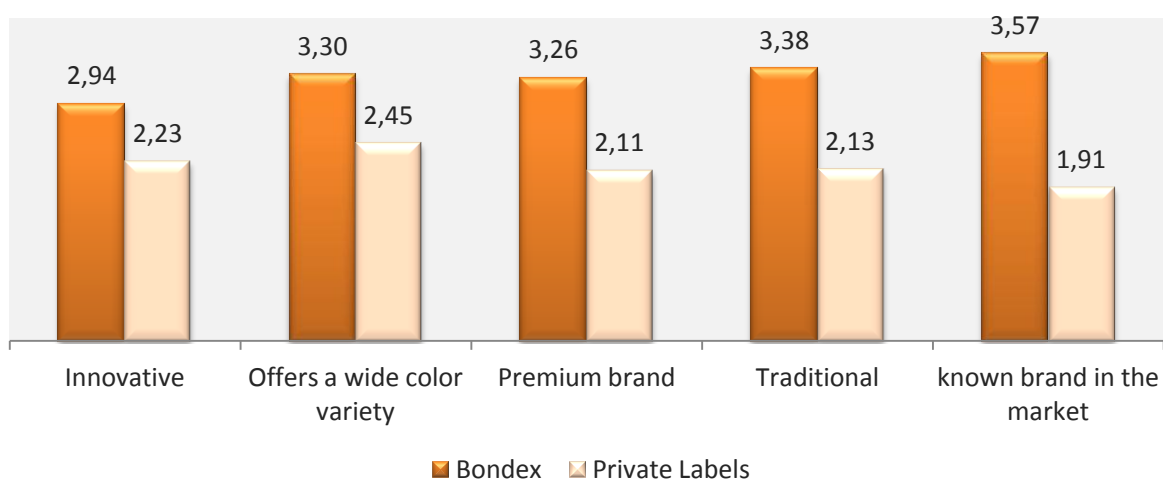


Pair 6	3.4 Private Labels are innovative	2,23	53	,640	,088
	3.4 Bondex is innovative	2,94	53	,691	,095
Pair 7	3.4 Private Labels offer a wide color variety	2,45	53	,722	,099
	3.4 Bondex offer a wide color variety	3,30	53	,607	,083
Pair 8	3.4 Private Labels are premium brands	2,11	53	,800	,110
	3.4 Bondex is a premium brand	3,26	53	,655	,090
Pair 9	3.4 Private Labels are traditional	2,13	53	,785	,108
	3.4 Bondex is traditional	3,38	53	,657	,090
Pair 10	3.4 Private Labels are known brands in the market	1,91	53	,766	,105
	3.4 Bondex is a known brand in the market	3,57	53	,605	,083

### 2.1) Mean value of the evaluation of each characteristic (0 to 4)



### 2.2) Mean value of the evaluation of each characteristic (0 to 4)



**3) Paired Samples Test**

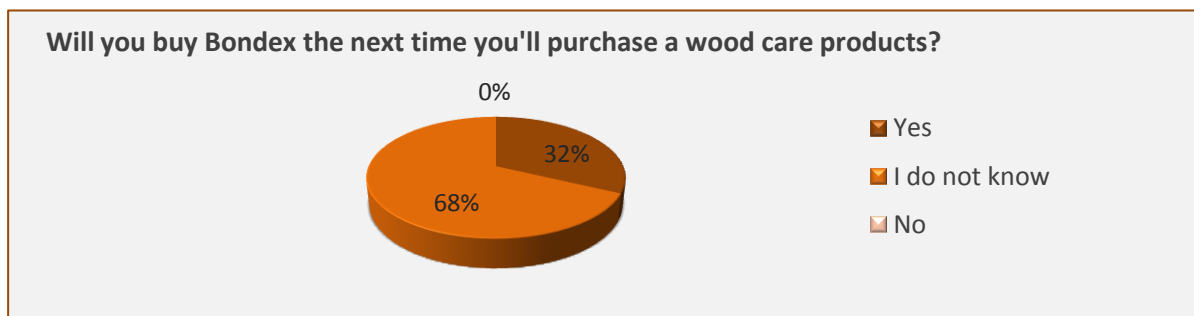
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	3.4 Private Labels are environmentally friendly - 3.4 Bondex is environmentally friendly	-,358	,522	,072	-,502	-,215	-4,996	52	,000
Pair 2	3.4 Private Labels are easy to apply - 3.4 Bondex is easy to apply	-,340	,517	,071	-,482	-,197	-4,784	52	,000
Pair 3	3.4 Private Labels give me a good output warranty - 3.4 Bondex gives me a good output warranty	-,774	,750	,103	-,980	-,567	-7,505	52	,000
Pair 4	3.4 I trust Private Labels - 3.4 I trust Bondex	-1,283	1,007	,138	-1,561	-1,005	-9,273	52	,000
Pair 5	3.4 Private Labels give me good ideas, advices and instructions - 3.4 Bondex gives me good ideas, advices and instructions	-,717	,769	,106	-,929	-,505	-6,787	52	,000
Pair 6	3.4 Private Labels are innovative - 3.4 Bondex is innovative	-,717	,885	,122	-,961	-,473	-5,896	52	,000
Pair 7	3.4 Private Labels offer a wide color variety - 3.4 Bondex offer a wide color variety	-,849	,841	,116	-1,081	-,617	-7,348	52	,000
Pair 8	3.4 Private Labels are premium brands - 3.4 Bondex is a premium brand	-1,151	1,081	,149	-1,449	-,853	-7,749	52	,000
Pair 9	3.4 Private Labels are traditional - 3.4 Bondex is traditional	-1,245	1,054	,145	-1,536	-,955	-8,598	52	,000
Pair 10	3.4 Private Labels are known brands in the market - 3.4 Bondex is a known brand in the market	-1,660	1,055	,145	-1,951	-1,370	-11,457	52	,000

**4) Bondex Average Rates**

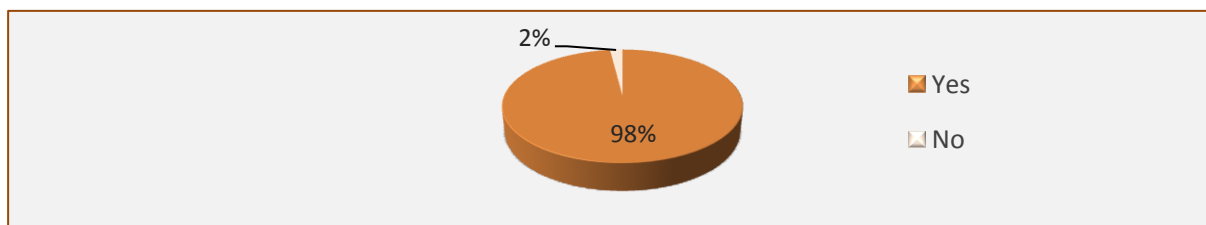
	Mean Values ([1 - 4])	Difference to Private Labels (Absolute Values)
3.4 Bondex is a known brand in the market	3,57	1,660
3.4 I trust Bondex	3,51	1,283
3.4 Bondex gives me a good output warranty	3,40	,774
3.4 Bondex is traditional	3,38	1,245
3.4 Bondex offer a wide color variety	3,30	,849
3.4 Bondex gives me good ideas, advices and instructions	3,28	,717
3.4 Bondex is a premium brand	3,26	1,151
3.4 Bondex is easy to apply	3,23	,340
3.4 Bondex is innovative	2,94	,717
3.4 Bondex is environmentally friendly	2,70	,358

■ higher ■ lower ■ differ the most ■ differ the least

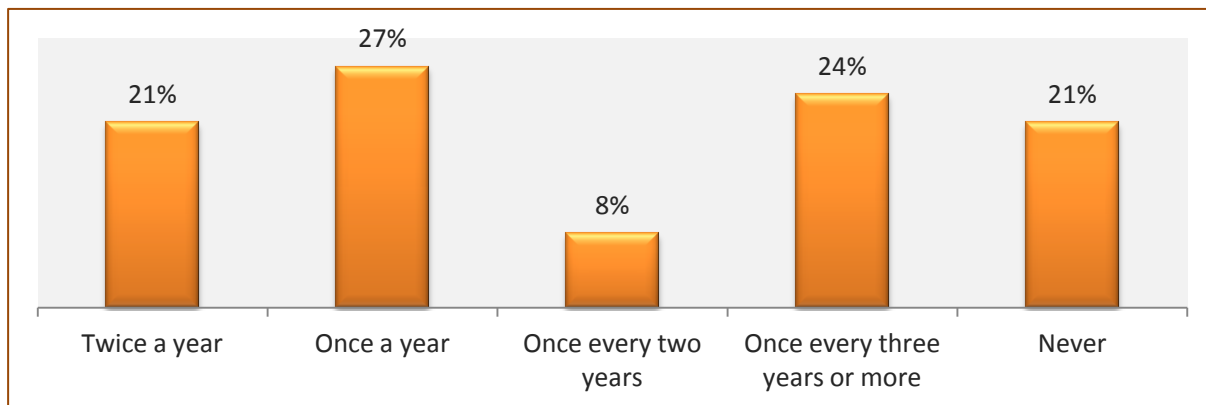
**Exhibit V.** Purchase Intention:



**Exhibit W.** Wood existence at homes.



**Exhibit X.** How often is the wood cared?



**Exhibit Y.** Crosstabulation: Dependence between how often people take care of their wood and why the ones that do not care much do not do it more

Wood holders - 1.2. How often do you take care of your wood? * Wood holders, that take care of their wood once every three year or more or even never - 1.3. Why don't you take care of your wood more often? Crosstabulation								
			1.3. Why don't you take care of your wood more often?					Total
			It takes a lot of work	It is expensive	The wood does not need it	I do not remember doing it	Other	
1.2. How often do you take care of your wood?	Once every three year or more	Count 1.2. How often do you take care of your wood?	8	3	6	6	0	23
			34.8%	13.0%	26.1%	26.1%	.0%	100%
	Never	Count 1.2. How often do you take care of your wood?	0	1	3	13	3	20
			.0%	5.0%	15.0%	65.0%	15.0%	100%
Total		Count 1.2. How often do you take care of your wood?	8	4	9	19	3	43
			18.6%	9.3%	20.9%	44.2%	7.0%	100%

#### Chi-Square Tests

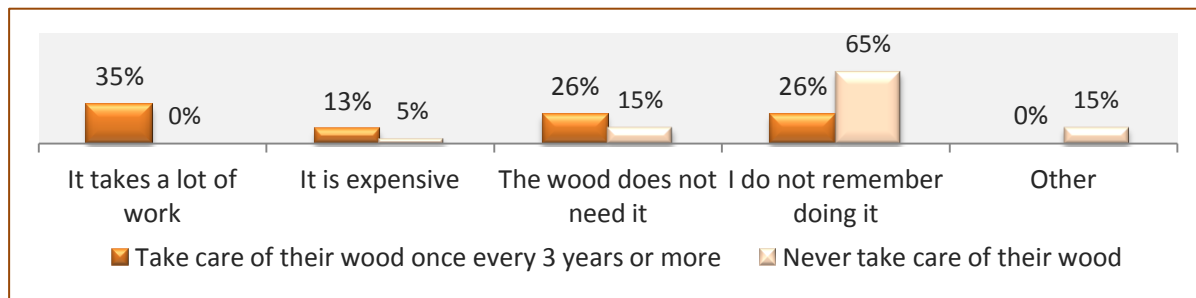
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.445 <sup>a</sup>	4	.004
Likelihood Ratio	19.746	4	.001
Linear-by-Linear Association	14.523	1	.000
N of Valid Cases	43		

a. 8 cells (80.0%) have expected count less than 5. The minimum expected count is 1.40.

#### Symmetric Measures

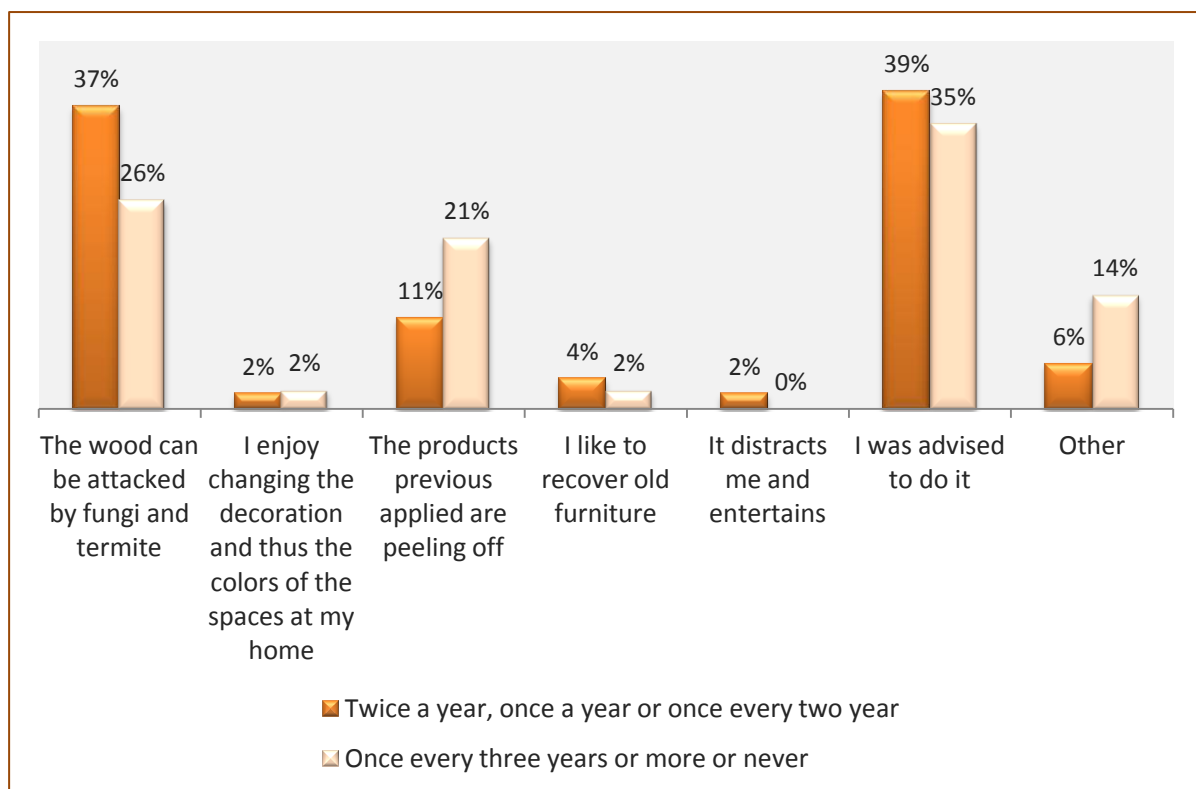
	Value	Approx. Sig.
Nominal by Nominal		
Phi	.599	.004
Cramer's V	.599	.004
N of Valid Cases	43	

**Exhibit Z.** Reasons why people do not take more care of their wood according to how often do they care their wood



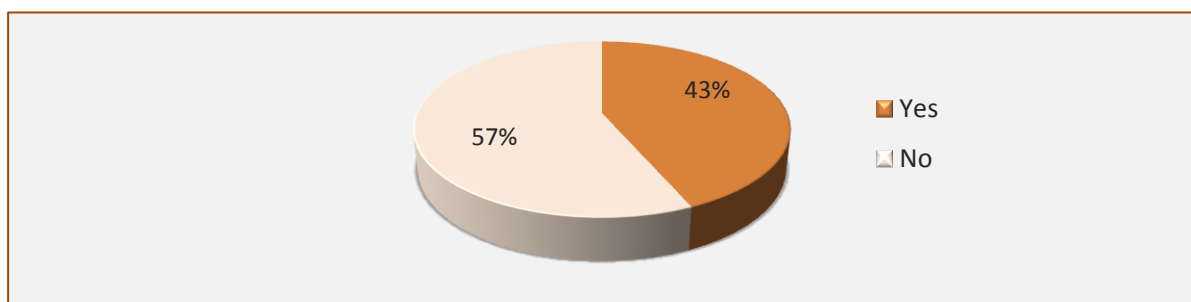
**Other:** I do not have the time  
I do not know how to do it  
There is no orientation to the benefits and the need of doing it

**Exhibit AA.** What reason leads people to care their wood when they do it?

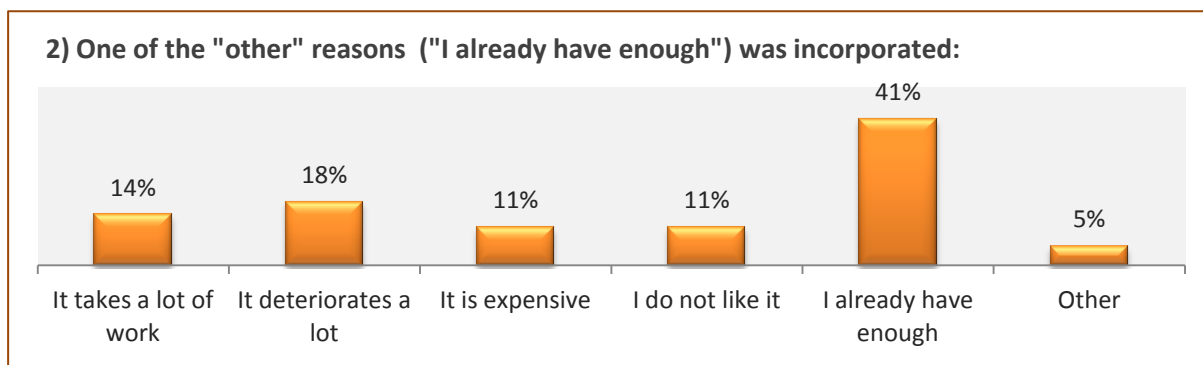
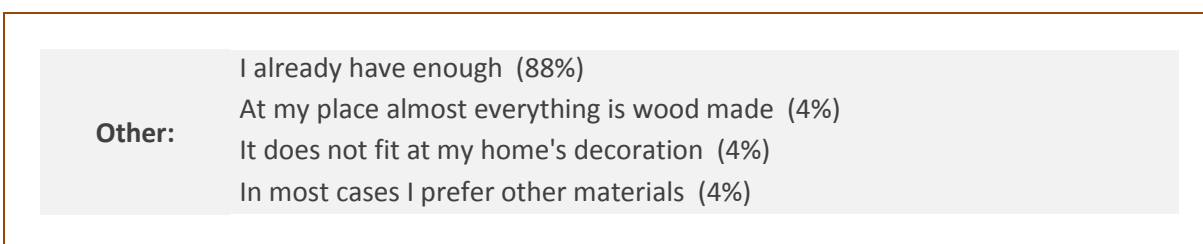
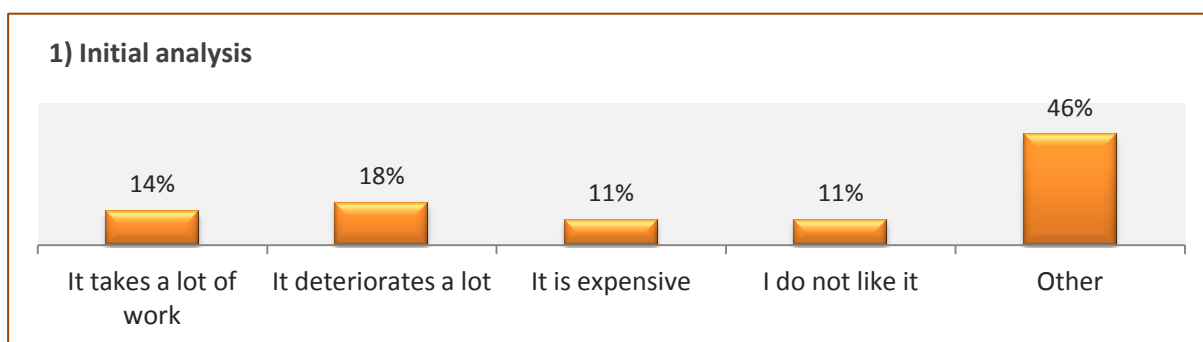


**Other:** So they keep looking good  
To preserve the wood  
It is being attacked by fungi and termites  
For maintenance

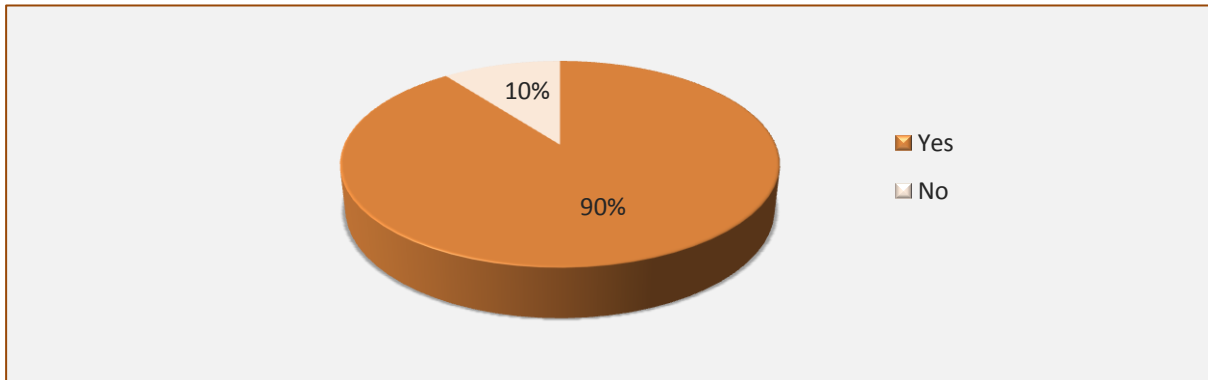
**Exhibit BB.** More wood at home?



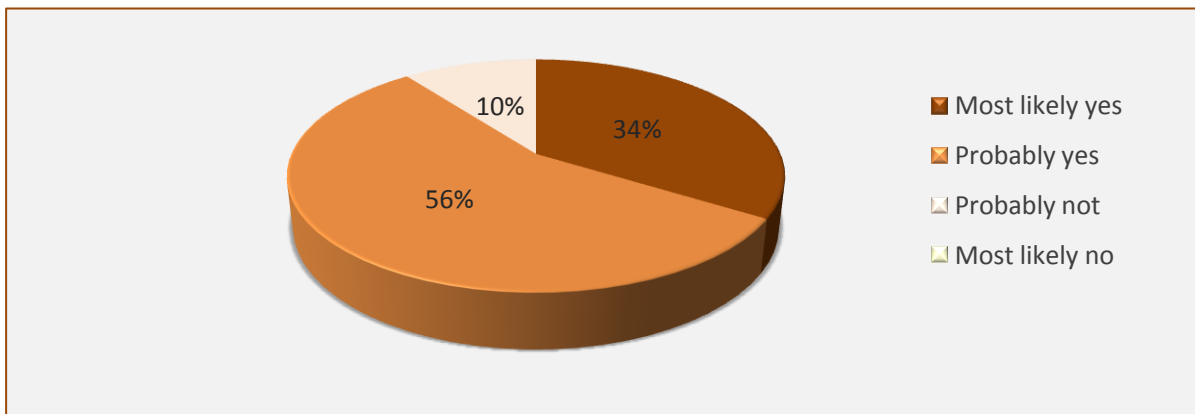
**Exhibit CC.** Reasons why people do not want more wood at home



**Exhibit DD.** Do people take sellers' advices and recommendations?



**Exhibit EE.** Will people buy the brand their sellers recommended?



## 5. Teaching Notes

### Synopsis

The case study presents the reader a successful brand in the wood care market, Bondex. Bondex has been until now an unquestionable categorizer, yet the market is changing. Information about the industry and the company as a whole is provided so that the student can get into its world and put themselves in the marketing manager's shoes to figure out what to do with Bondex in the future.

### Teaching objectives

The case study was written to marketing students. It can be used in general marketing classes (assignment I and II) as well as in marketing research (assignment I, II and III) and marketing communication (assignment I, II and IV). To solve the assignments suggested it will be asked the student more than the reading of the case; it will be asked creativity and knowledge about the courses mentioned.

### Teaching Plan by steps

1. Students will read the case study (case plus Appendix I) and answer the assignment I. After handed in the homework the answers should be discussed in class.
2. Students should be divided in groups of four and receive the Appendix II. They should solve the assignment II and discuss it in class.
3. Each group will solve the assignment III and handed it in. Results should be discussed in class.
4. Each group has got to hand in their solution for the assignment IV and present it in class.

In these teaching notes only the answers' key points the student cannot miss are presented (and not for all questions). Students should develop and justify them with information from the case and/or exhibits.

### Assignment I

Do you think Bondex is being undervalued? Why or why not?

Which are the strengths and weaknesses of Bondex?

- Strengths: brand awareness and quality
- Weaknesses: perceived as non innovative

Which is the major threat to Bondex?



- PRO: Woodtec communication
- DIY: private labels market share increase

What should be Villar's next steps?

- Define the positioning of Bondex and a communication plan
- Develop support materials to the point of sale
- Take an action to also focus sellers on Bondex

## Assignment II

Define the positioning you believe to be the best to Bondex.

Can a boost in the category of wood care products be induced? How?

- Yes, the boost in the category can be induced. From the market research one can conclude that remember the population that their wood is a living particle that can get damaged if not cared and to advise them to act in that sense can be a good strategy to increase the category as a whole. Additionally, get sellers into this awareness wave by making them advice individuals would probably increase its effectiveness. They could even recommend a specific brand that most part of the individuals would buy it.

## Assignment III

Villar, the Bondex brand manager, believes the brand's image is old fashioned and she wants to change it. As it implies a high investment she decided to do a market research.

Define management decision problem in the context of marketing research. What is the management decision problem in this case?

- The management decision problem is the problem the manager wants to solve. It is the purpose of any research.
- In this case the management decision problem is: Should Dyrup change Bondex's image?

Define marketing research problem. What is the marketing research problem in this case?

- The marketing research problem is the objective of a research; it defines what researchers should find in order to be capable of advising the managers.
- In this case: Evaluate consumers' perceptions regarding Bondex's image and understand the impact the image has on sales.

Which steps should follow the definition of these two problems?

- Define the research questions.
- Qualitative Research in order to get insight about the consumer regarding Bondex's image.

- Quantitative Research: after the qualitative research the researcher would be able to design a questionnaire whose results will allow answering research questions.

Imagine you are the researcher. Define the possible research questions.

### **Assignment IV**

Develop a communication plan for Bondex for the next year according to the positioning you have defined.

- Students have got to develop an Integrated Marketing Communications (IMC) plan and therefore elements of the communication, such as: advertising, trade sales promotions, consumer sales promotions, public relations, sponsorship and events and direct marketing should be aligned and combined between each other.

Take one communication action stated on your communication plan. Do a briefing to give to the advertisement agency.

- The briefing should include all the following elements: context, target (core and broad), key objective, consumer insight, key message, reason to believe, main barriers, media to be considered and mandatory elements.

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## 7. Foot Notes:

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<sup>i</sup> In Portuguese these are referred to as GSA (Grande Superfície Alimentar) and GSB (Grande Superfície de Bricolage)

<sup>ii</sup> The Portuguese term for Wood stain is *velatura*.

<sup>iii</sup> Materis, a French group, is one of the major international players in building construction specialty chemicals. In 2004 it has acquired Robbialac. (June, 30 2009 – Marketeer)

<sup>iv</sup> “By far, the most important environmental impact from paints and coatings is the release of volatile organic compounds (VOCs) during the drying process after the coating is applied.” (<http://ecm.ncms.org/ERI/new/IRRpaintcoating.htm>) As a consequence, VOCs have been the subject of the major regulations in this industry.

<sup>v</sup> “Feng Shui is an ancient art and science developed over 3,000 years ago in China. It is a complex body of knowledge that reveals how to balance the energies of any given space to assure the health and good fortune for people inhabiting it. Feng means wind and shui means water. In Chinese culture wind and water are associated with good health, thus good feng shui came to mean good fortune, while bad feng shui means bad luck, or misfortune.” (<http://fengshui.about.com/od/thebasics/qt/fengshui.htm>)

<sup>vi</sup> The quality of the paint is perceived by end-consumers to be its durability.

<sup>vii</sup> Dyrup’s EBITs: 2009=0.9m€ and 2010=2m€

<sup>viii</sup> Slogan: “Happy colors – happy lives – happy results: Happy people do more, better, for longer”

<sup>ix</sup> Dyrup has launched 10 products in 2010 as well as 3 new inspiring product lines in DIY.

<sup>x</sup> Wood stain is a transparent wood protector that after applied let the wood veins be seen and felt. It does not create a film over the wood and it might be colored.

<sup>xi</sup> 2005 is the date since when there is data available for the elaboration of this case study.

<sup>xii</sup> DuPont is an American science company founded in 1802.

<sup>xiii</sup> Teflon is the name of the DuPont’s brand given to the synthetic fluoropolymer of tetrafluoroethylene that has named the category. Teflon is used in the development of a diverse set of products such as non-stick frying pans, construction coatings or laboratory environments mainly due to its property of having a very low coefficient of friction. Specifically in Bondex Teflon gives the

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product a higher waterproofing and adherence which results in a cleaner surface and less detritions of the wood.

<sup>xiv</sup> Dyrup has got a system named Dyrumatic which enables the seller to add pigments to products and produce millions of colors in the moment of purchase. It works with many different paints but only with Bondex Classic to which concerns to wood stains. There are 80 different colors pre-defined to Bondex Classic, but the company can change it at any moment. Until 2011 the system Dyrumatic has been more successful with decorative paints than with wood stains, these last ones are barely pigmented in stores.

<sup>xv</sup> Groupe ADEO is a French group of DIY stores. Leroy Merlin and AKÍ are the two stores from the group present in Portugal. In Spain besides these two Bricomart is also present.

<sup>xvi</sup> Decorative paints are not for wood, are interior paints.

<sup>xvii</sup> Cook Paint & Varnish Co was a paint factory established in 1913 in Kansas City that was in 1991 divided.

<sup>xviii</sup> Lillebæltsbroen is the name of a huge bridge in Denmark. Its construction started on 1929 had was finished by 1935.

<sup>xix</sup> The bridge responsible for the presence of Dyrup in Portugal is the bridge of Vila Franca de Xira also named Marechal Carmona bridge. Its construction started approximately on 1948 and ended on 1951.

<sup>xx</sup> In 1991 Dyrup acquired the French company Xylochimie (wood treatment producer), the Spanish company Pinturas Ricolor (paint producer) and still in that year the Danish producer of wood care products GORI. (The name of this last one would later on substitute the brand Bondex in Denmark, GORI is currently the brand of wood care products in the country and Bondex is not even sold there.) In 1992 another French wood care products producer was bought, Veraline. By 1999 Dyrup had already bought two more companies: the French DIP Battley, producer of waterproofing products, in 1996 and the Spanish AKRO, a paint producer, in 1999. Meanwhile, in 1994, it was created the Polish Dyrup. All this efforts to achieve its goal was worth, Dyrup's market share in the European market of wood care grew from 5% to 20% in the 90s.

<sup>xxi</sup> <http://www.monthor.com/> - Dyrup's History and Management

<sup>xxii</sup> In 2009 Dyrup acquired Hygæa A/S, a Danish company that would strengthen the company's position in the PRO segment and in the following year the Polish paint producer Malfarb.

<sup>xxiii</sup> <http://www.monthor.com> – Dyrup, Mission

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<sup>xxiv</sup> PPG is based in Pittsburgh, Pennsylvania and its 140 manufacturing facilities are spread throughout the world (established in more than 30 countries). Its global sales in 2010 accounted for \$13.4 billion. PPG's vision relies upon "being the world's leading coatings and specialty products and services company, serving customers in construction, consumer products, industrial and transportation markets and aftermarkets". According to Pierre-Marie De Leener, PPG executive vice president, Architectural Coatings – EMEA (Europe, Middle East and Africa) and president of PPG Europe, "The acquisition of Dyrup would expand PPG's European architectural coatings business by extending our geographic presence in the region and by bolstering our wood care product offerings, an end-user segment where we today have a modest presence." Moreover, "Dyrup's operations and sales channels would be a great complementary fit with PPG's structure. The transaction will expand PPG's growth in several key countries, including Poland, France and Denmark, and further establish PPG in several regions where we have limited or no architectural coatings presence, especially in Portugal, Spain and Germany."

<sup>xxv</sup> Wood stain stands for "velatura" in Portuguese.

<sup>xxvi</sup> The p-value for Levene's test is always bigger than 5%, so p-values to be taken into consideration are those of equal variances not assumed.